

FFATA Frequently Asked Questions

1. Since we are a state agency and our salaries are public information, are we required to enter our executive compensation for our FFATA applicable grants? I know with Recovery Act we did not.

With the Recovery Act, they allowed us to analyze our subjectivity to this reporting at the statewide level. OMB has specifically said that if our departments have their own DUNS, it has to be analyzed at the agency level. For the state as a whole, we did not meet the 80% criteria because we only receive about 44% of our total revenues from federal awards. The State's salaries are not disclosed under the SEC and IRS rules that the Act allows exclusion under. So, you should analyze your agency's total revenues as a percentage of federal revenue. When you total your revenue, include all departmental revenues as well as appropriations. Make sure you keep a record of your analysis because when you report, you have to certify a statement on FSRS.gov that you do not have to report this information because you are excluded under these rules.

2. Our agency, receives certain federal grants that start 10/1/10 and run through 9/30/11. We enter into multiple sub-grants that run on the state fiscal year, 7/1/10 through 06/30/11. The sub-grants utilize one month of funding from the prior federal grant (9/1/10 through 9/30/10) and eleven months of funding from the new grant (10/1/10 through 8/31/11). The sub-grants were awarded and fully executed in September 2010, prior to the effective date for FFATA reporting; however, eleven months of new, post-Oct. 1 funding is utilized in these sub-grants. Can you tell me when these sub-awards need to be reported?

Once the sub-grant amount reaches \$25,000, the recipient must report the total subaward amount if any of the subaward will be funded with "new" awards assigned a new FAIN after October 1 (even if some of the original funding was funded prior to 10/1/10). There is a comment and response in Section D. of the comments section (Page 55667 of the Federal Register notice) that addresses this. However, remember, it is the date range of the federal grant that determines if the subaward is reportable.

3. What is the subaward date?

The date of obligation which for a subaward is the date on which the recipient authorizes the subrecipient to incur costs against the known amount it obligates, and does so in a way that legally obliges the recipient to provide funds to cover costs that are incurred in accordance with the subaward's terms and conditions. That date usually is associated with the signature of a formal document, either the initial subaward or an amendment to it. That is distinct from the "start date".

4. How are “obligations” determined for some programs that adjust the amount a subrecipient receives at some time after the initial obligation. For example, the school lunch program, under which the amount obligated, is not known until after the subrecipient expends the funds.

If a recipient obligates a specific known amount for a subaward, even if it may be adjusted later, it must report the obligation when it is made. For a program like the school lunch program, however, where the initial subaward provides the subrecipient with an open-ended authorization of unspecified amount, the obligation date corresponds to the date on which the amount of the obligation is specified. Reporting is required by the end of the month following the month in which the subaward obligation was made.

5. What does the term executive mean for reporting executive compensation?

Executive means officers, managing partners, or any other employees in management positions.

6. What is included in “Total Compensation”?

- i. *Salary and bonus.*

- ii. *Awards of stock, stock options, and stock appreciation rights.* Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

- iii. *Earnings for services under non-equity incentive plans.* This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

- iv. *Change in pension value.* This is the change in present value of defined benefit and actuarial pension plans.

- v. *Above-market earnings on deferred compensation which is not tax-qualified.*

- vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

7. As it relates to the reporting deadlines, are the reports to be as of a specific date?

No. Reports are open-ended. Reports can be left open until ready for submission. And, even after they are posted to USASpending.gov, you can still modify reports by reopening a report.

8. If there is no CFDA number given on a grant, how will the Feds want that to be reported? Use the same methods as for SEFA reporting?

All grants subject to FFATA have to have a CFDA number. If there is no CFDA number, you must contact your federal granting agency to correct their error.

9. If I grant funds to another state agency, will I report that second state agency as my subawardee?

No, if a Medicaid agency (“A”) passes funds through to another state agency (“B”), B is not considered a sub-award. However, where B awards a grant to a non-state entity (“C”), C is considered a sub-award subject to reporting under the Transparency Act. (OMB email dated 12/17/2010)

10. What if reported information ever changes after I have already filed my report, e.g., executive compensation?

If the information that was reported was correct at the time it was reported and changed at a later date, there would be no need to subsequently revise the information in previously submitted reports. **This does not include subaward amount. Any changes in subaward amounts have to be updated.**

11. Are there plans for a review process of the data submitted similar to 1512 whereby the federal agencies can comment on the reports? Or, are there any expectations or potential requirements for State Auditors (through perhaps the Single Audit) regarding data quality.

Currently, federal agencies are not required to review FFATA reports. However, effective with the 2011 OMB A-133A compliance supplement, auditors are required to test the following data elements but may test others.

- Subaward date
- Subawardee DUNS #
- Amount of subaward
- Subaward obligation/action date (date agreement was signed)
- Date of report submission
- Subaward number