



AUBURN

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UNIVERSITY

American  
Recovery and  
Reinvestment  
Act Funding at  
Auburn  
University

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The ***American Recovery and Reinvestment Act (ARRA)*** of 2009, also referred to as the Federal Stimulus Plan or Recovery Act, was approved by Congress and signed into law by President Obama on February 17, 2009.

The stimulus initiative is designed to jump start the U.S. economy through federal spending on such programs as education, energy, health care, housing and transportation - investing in products and services that will put Americans to work, improving infrastructure and allowing for enhanced or continued research.

Alabama expects to receive approximately \$3 billions for existing programs over the next two years. About \$958 million in stimulus money will go to education in Alabama.

Details of Alabama's allocation can be found on ***[www.stimulus.alabama.gov](http://www.stimulus.alabama.gov)***.

# What Can Auburn Expect to Receive

Stimulus funds are available to Auburn University from two sources: State Fiscal Stabilization Funds (SFSF) and Competitive Federal Grants.

Funding allocated to Auburn University for the fiscal year **2010** from the Governor's Office:

• Auburn Main Campus	\$16,902,753
• Auburn Montgomery	2,104,584
• Alabama Agriculture Experiment Station	3,251,045
• Alabama Cooperative Extension System	<u>3,625,026</u>
Total Auburn SFSF for FY2010	\$25,883,408

To-date 90% of the 2010-2011 funds have been obligated to the State from the Federal Government. Total funding available from SFSF to the University for both fiscal years is \$46,590,134. The State has applied for the final 10%. If granted, AU can expect to receive roughly \$51.8M in total SFSF funding.

A complete list of stimulus awards can be found at  
[www.auburn.edu/ARRA/](http://www.auburn.edu/ARRA/)

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# Recipient and Sub-Recipient Reporting

**ARRA** includes unprecedented level of transparency and accountability.  
Clauses and provisions are being added to contract and grant language to legally obligate recipients to meet all reporting requirements under the Recovery Act.

Section 1512 of ARRA requires all recipients of federal funds appropriated in ARRA to report on the use of these funds within 10 days of the end of the quarter. Reporting will occur using [FederalReporting.gov](http://FederalReporting.gov) which is the central portal established for recipient reporting.

The University's Central Business Office will work with each division, the Office of Sponsored Programs and Contract & Grant Accounting to ensure funds are spent in accordance with guidelines provided by the Act.

The State of Alabama has added additional monthly recipient and sub-recipient reporting requirements on all ARRA funding secured. Forms must be submitted to the state within 10 days of the end of each month.

- **Agencies are expected to follow applicable administrative requirements such as OMB A-21, A-102 and A-110.**
- **Increased External audit oversight**
  - **General Accountability Office and Inspector General Offices**
  - **A-133 Audit Requirements**
- **Penalties for Non-Compliance**
  - **Criminal and civil penalties**
  - **Risk implications impacting Auburn's reputation/future funding loss**
- **Recovery.gov – vehicle for viewing stimulus status. Information will be made available on www.recovery.gov on the 30<sup>th</sup> day after the end of each quarter.**
- **Any instance of potential fraud, waste and abuse should be reported to the Auburn Ethics Hotline - <http://www.ethicspoint.com/>**

# How Can Institutions of Higher Education's Use of SFSF?

Section 14004 (a) of the ARRA authorizes a public IHE to use Education Stabilization (SFSF) funds for:

- Education and general expenditures, in such a way as to mitigate the need to raise tuition and fees for in-State residents; or
- Modernization, renovation, or repair of IHE facilities that are primarily used for instruction, research, or student housing, including modernization, renovation and repairs that are consistent with a recognized green-building system.

# Are there statutory prohibitions on IHE's Use of SFSF?

Section 14004 (b-c) prohibits use for following purposes or activities:

- To increase endowments
- Maintenance of systems, equipment or facilities
- Modernization, renovation or repair of stadiums or other facilities primarily used for athletic contests or exhibitions or other events for which admission is charged the general public
- Modernization, renovation or repair of facilities used for sectarian instruction or religious worship or which in which a substantial portion of the functions of the facility relate to a religious mission
- New construction



# Types of Expenditures that Support IHE SFSF Include:

- Support for salaries related to classroom and laboratory instruction and instructional technology
- Academic support for libraries, laboratories and other academic facilities
- Institutional support for activities related to personnel, payroll, security, environmental health & safety, and administrative offices
- Student services that promote a student's emotional and physical well being outside the context of formal instruction program

# Other ARRA Program Requirements

- Any laborers and mechanics employed by contractors or subcontractors on modernization, renovation or repair projects must be paid in accordance with the prevailing wage requirements (commonly referred to as Davis-Bacon). Contracts require this language be added
- Section 1605 of the Act - Use of American Iron, Steel and Manufactured Goods (applies to public works). Limited exceptions.

# Federal Reporting Elements

There are five basic data elements to be reported:

1. Project period and awarding federal agency information
2. Project and Activity Information – funding received and expended
3. Project and Activity Information – status of the project, job creation/retention, expected outcome of investments, highly compensated officers
4. Sub-recipient Information – cash received and disbursed, sub-award grant period, sub-recipient highly compensated officers
5. Aggregated Award Information – total number of awards <\$25K and cash disbursed

# Job Retention and Creation

- All agencies receiving ARRA funding must provide information on Jobs paid for with stimulus funds.
- The number must be expressed as “full-time equivalent” (FTE), calculated quarterly as all hours worked divided by the total number of hours in a full-time schedule

# Federal Reporting Elements for Prime Recipient

- Federal Funding Agency Code
- Funding TAS (Treasury Acct Symbol)
- Award Identification
- Recipient DUNS and Recipient MPIN (CCR)
- CDFA # (Catalog Domestic Federal Assistance)
- Recipient Account Number
- Project/Grant Period (Begin and End Dates)
- Award type, date, description and amount
- ARRA funds expended
- Activity code and description
- Project Name, Description and status
- Job Creation narrative and number of jobs (FTE)
- Fed Expenditures, Non-Fed Expenditures, Total expenditures
- Recipient primary place of performance
- Recipient of benefit
- Recipient officer names and compensation (top 5)
- Total number and amount of small sub-awards; less than \$25,000

# Recipient Information on Vendors:

- Award ID
- Subcontract Number
- DUNS Number or Street Address and 9 Digit Zip Code of Headquarters
- Expenditure Amount
- Product/Service Description

Reported in aggregate on payments less than \$25K.  
Reported by vendor on payments \$25K or more.

# Federal Reporting for Sub-Recipient

- Sub-recipient DUNS number
- Sub Award Number
- Sub-recipient Congressional District
- Amount of Sub-Award
- Ultimate Value of Sub-Award
- Sub-Award Date and Project Grant Period
- Sub-recipient place of performance and Area of benefit
- Sub-recipient list of officers and compensation (top 5)
- Vendor Information (DUNS, Name, 9 Digit Zip Code)
- Vendor Product Description and Payment Amount

# Sub-recipient Information on Vendors:

- DUNS Number, Name and 9 Digit Zip Code of Headquarters
- Expenditure Amount
- Product/Service Description



# Tracking Specific to Auburn

All stimulus projects will be tracked using a specific block of funds within the Banner web-based financial system. The current identifiers are:

101x99 Division 1 (Main) SFSF  
102x99 Division 2 (AUM) SFSF  
103x99 Division 3 (AAES) SFSF  
104x99 Division 4 (ACES) SFSF  
219xxx Division 1 Competitive Stimulus Grants  
3501xx Division 2 Competitive Stimulus Grants  
381xxx Division 3 Competitive Stimulus Grants  
382xxx Division 4 Competitive Stimulus Grants  
9219xx Division 1 Stimulus Projects  
9319xx Division 2 Stimulus Projects