

ALABAMA WORKFORCE INVESTMENT SYSTEM

Alabama Department of Economic and Community Affairs
Workforce Development Division
401 Adams Avenue
Post Office Box 5690
Montgomery, Alabama 36103-5690

March 8, 2013

GOVERNOR'S WORKFORCE DEVELOPMENT DIRECTIVE NO. PY 2010-16, Change 1

SUBJECT: Sub-award and Executive Compensation Data Reporting Requirements Under the Federal Funding Accountability and Transparency Act (FFATA)

- 1. Purpose** To inform all Employment and Training (ETA) workforce system agencies of additional Office of Management and Budget (OMB) reporting requirements under the FFATA effective October 1, 2010 per Training and Employment Guidance Letter (TEGL) No. 11-10. (See attached.)
- 2. Discussion** The FFATA requires full disclosure to the public of Federal spending information by all entities and organizations receiving Federal funding under Federal grant awards. The intent of the Act is to: 1) have Federal spending information available to the public; 2) make the information easily accessible; and 3) reduce wasteful spending by the Federal government. As required by FFATA and subsequent OMB guidance, recipients of Federal awards are required to report sub-award and executive compensation information for certain entities and organizations. The legislation also requires information about Federal awards to be made available to the public via a single searchable website. USASpending.gov has been designated as the website to be used to display data about grants, loans, cooperative agreements and other forms of Federal financial assistance.

The FFATA Sub-award Reporting System (FSRS) is the reporting system used by the Federal prime awardees to electronically report first tier sub-award information and executive compensation. The FSRS started accepting sub-award and executive compensation data on October 29, 2010. The sub-award information entered into FSRS by the prime awardee will be accessible on www.USASpending.gov.

3. Action Federal Grant Awardees Subject to the Sub-award and Executive Compensation Reporting Requirements:

Under the April, 6, 2010, OMB Memorandum, entitled: Open Government Directive – Federal Spending Transparency, all direct recipients (prime recipients) of Federal grants and cooperative agreements with an award date on or after October 1, 2010, fall under FFATA reporting requirements. Prime recipients of Federal grants and cooperative agreements will be required to report sub-award information and

executive compensation information, including the total compensation and names of the top five executives of the prime recipient and of the first tier subrecipients in the FSRS database.

The FFATA reporting requirements apply to grants and cooperative agreements that are equal to or over \$25,000. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award will be subject to the reporting requirements as of the date the award equals or exceeds \$25,000. If the initial award equals or exceeds \$25,000 but funding is subsequently de-obligated such that the total award amount falls below \$25,000, the award continues to be subject to the reporting requirements.

For ETA, this means new Federal grants and cooperative agreements awarded on or after October 1, 2010, where the funding is equal to or over \$25,000 are subject to the sub-award and executive compensation reporting requirements.

When Are Prime Grant Awardees to Report Sub-award and Executive Compensation Information?

To meet the FFATA reporting requirement, the prime recipient must report information related to a sub-award by the end of the month following the month the sub-award is obligated.

Systems Registrations Required by the FFATA

All grantees subject to the reporting requirements must register with the following systems:

- FSRS
- Dun and Bradstreet, Data Universal Numbering System (DUNS)
- Central Contractor Registration System (CCR)

Instructions on registration with DUNS and CCR were provided in TEGL 29-08 (attached).

Instructions for registering with FSRS are available on <https://www.fsrs.gov/>.

Federal Awards That Are Not Subject To the FFATA Reporting Requirements

- Under the August 27, 2010, OMB Memorandum, entitled: Open Government Directive – Federal Spending Transparency and Sub-award and Compensation Data Reporting, new or existing grants that are funded by the American Recovery and Reinvestment Act are not subject to FFATA reporting requirements. These awards and related sub-awards will continue to be reported through FederalReporting.gov.
- The following types of awards also are not subject to FFATA and are not normally used by ETA, but the information is included to provide complete OMB requirements:
 - Transfers of title between Federal agencies of Federally owned property;
 - Federal inter-agency transfers of award funds;
 - Cooperative Research and Development Agreements (CRDA)

- Federal awards to individuals who apply for or receive Federal awards as natural persons (i.e., unrelated to any business or non-profit organization he or she may own or operate in his or her name);
- Federal awards to entities that had a gross income, from all sources, of less than \$300,000 in the entities' previous tax year; and
- Federal awards, if the required reporting would disclose classified information.

Action Requested


All affected grantees must report in accordance with OMB established guidelines and timeframes.

As a Federal prime awardee for the Workforce Investment Act, ADECA, Workforce Development Division, State Reporting/Technical Assistance Section will be issuing a change to this GWDD to provide detailed guidance for the reporting of required sub-award data to the WDD, which will actually do the required reporting for the statewide WIA Title 1-B program.

All subawardees are required to register with the Dun and Bradstreet, Data Universal Numbering System (DUNS) and the Central Contractor Registration System (CCR) in order to receive federal funds from ADECA, Workforce Development Division. Subawardee information is required at the time the agreement is signed by the appointing authorities, company officials or other designated authorities. No additional information is required at this time in order to report in FSRS.gov.

4. Contact

Questions regarding this TEGL should be directed to Tammy Farmer, Workforce Development Division at Tammy.Farmer@ADECA.Alabama.gov or (334) 242-5154.

38d

Steve Walkley, Division Chief
ADECA, Workforce Development Division
3/8/13