

**INACTIVE 7/1/11**  
**DIRECTIVE**  
**WORKFORCE SERVICES**

Number: WSD09-10

Date: March 1, 2010

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TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: ARRA SECTION 1512 REPORTING REQUIREMENTS

**EXECUTIVE SUMMARY:**

**Purpose:**

This directive provides federal and state guidance for carrying out the Workforce Investment Act (WIA) reporting requirements included in Section 1512 of the American Recovery and Reinvestment Act of 2009 (ARRA). This guidance applies to all subrecipients of WIA ARRA funds.

**Scope:**

This directive applies to all Local Workforce Investment Areas (LWIA) and other subgrantees receiving ARRA funds through WIA ARRA funding streams.

**Effective Date:**

This directive is effective upon issuance.

**REFERENCES:**

- American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5)
- Workforce Investment Act of 1998 (Pub. L. 105-220)
- Wagner-Peyser Act of 1933, as amended (29 U.S.C. 49 et seq.)
- Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109-282)
- Code of Federal Regulations, Title 20, Part 652 et al
- Office of Management and Budget Memorandum 09-21 (OMB M-09-21), *Implementing Guidance for the Reports on Use of Funds Pursuant to the American Recovery and Reinvestment Act of 2009* (June 22, 2009)
- OMB 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).

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- Training and Employment Guidance Letter (TEGL) 1-09, *Reporting Requirements under Section 1512 of the American Recovery and Reinvestment Act of 2009*, Changes 1 and 2 (August 14, 2009)

#### **STATE-IMPOSED REQUIREMENTS:**

This directive contains some State-imposed requirements. These requirements are indicated by ***bold, italic*** type.

#### **FILING INSTRUCTIONS:**

This directive replaces Draft Directive WSDD-26, dated August 26, 2009, and finalizes Draft Directive WSDD-36, issued for comment on February 9, 2010. Due to significant changes to federal and state reporting requirements since August 26, 2009, WSDD-26 was replaced by WSDD-36 to allow time for public comment. The Workforce Services Division received one (1) comment during the draft comment period; the comment received did not result in any substantive changes to this directive. However, this directive incorporates changes that are viewed as highlighted text. The highlighted text will remain on the Internet for 30 days from the issuance date. Retain this directive until further notice.

#### **BACKGROUND:**

The intent of the ARRA, signed by President Obama on February 17, 2009, is to preserve and create jobs, promote the nation's economic recovery, and assist those most affected by the recession. The ARRA funds for employment and training purposes should be spent concurrently with regular WIA and Wagner-Peyser Act formula funds to increase the Workforce System's capacity to serve workers in need.

Federal efforts to provide transparency in ARRA spending have been underway since the ARRA's inception. These efforts are overseen by the Recovery Accountability and Transparency Board (Board). The Board is responsible for promoting accountability by coordinating and conducting oversight of ARRA funds to prevent fraud, waste and abuse and foster transparency by providing the public with accurate, user-friendly information.

Section 1512 of the ARRA sets forth a statutory requirement to make certain information from grant recipients available on [www.recovery.gov](http://www.recovery.gov), a Web site created under the provisions of the ARRA and maintained by the Board in conjunction with the Office of Management and Budget (OMB). The reports required under ARRA Section 1512 will be submitted by recipients of ARRA funds beginning with the quarter ending September 30, 2009, and will contain detailed information on projects and activities funded by the ARRA. When published on [www.recovery.gov](http://www.recovery.gov), these reports will provide the public with an unprecedented level of transparency into how federal dollars are being spent and will help drive accountability for the timely, prudent and effective spending of ARRA funds.

The Employment Development Department (EDD) is awarded ARRA funds directly from the federal government through the Department of Labor (DOL) and is ultimately responsible for satisfying the reporting requirements included in ARRA Section 1512. These requirements include the Federal Funding Accountability and Transparency Act (FFATA) reporting requirements for sub-contracts or sub-awards. In order to satisfy the requirements of ARRA Section 1512 and the FFATA, the EDD must collect certain information from all of the LWIAs and subrecipients of ARRA funds to make available to the public through [www.recovery.gov](http://www.recovery.gov).

Substantial changes have been made to the ARRA Section 1512 reporting process by the OMB, DOL, and the California Recovery Task Force since the EDD Workforce Services Branch (WSB) issued Draft Directive WSDD-26, dated August 26, 2009. The most notable change is that job creation and retention numbers are now reported on a quarterly basis rather than cumulatively. In response to the reporting changes, the EDD WSB has issued a new draft directive to allow the Workforce Development Community time to comment on the policy and procedural changes made to the ARRA Section 1512 reporting process since the issuance of WSDD-26. The policies and procedures contained in this draft directive replace those contained in WSDD-26.

**POLICY AND PROCEDURES:**

***The California Recovery Task Force has determined that California is an ARRA Section 1512 centralized reporting state. The EDD is not delegating direct reporting authority to subrecipients. All subrecipients will report through the EDD WSB, who will then report to the California Recovery Task Force. The California Recovery Task Force will report to the OMB for all State recipients and subrecipients of ARRA funds.***

***Subrecipients of ARRA funds will be responsible for downloading, completing, and submitting one of the following Excel templates:***

<b>SUBRECIPIENT REPORTING TEMPLATES</b>	
<b><u><a href="#">ARRA Section 1512 Report (First Time Reporting)</a></u></b>	<b><i>Subrecipients should complete this Excel template if this is their first time submitting a quarterly report.</i></b>
<b><u><a href="#">ARRA Section 1512 Report (Subsequent Reporting)</a></u></b>	<b><i>Subrecipients should complete this Excel template if they have already submitted a quarterly report.</i></b>

***The Excel templates above are available on the EDD Web site. Questions regarding the completion and submission of the Excel templates should be directed to your EDD WSB Regional Advisor or Program Manager.***

***Once the required data fields on the Excel templates are completed by the subrecipient, the completed Excel templates should be attached to an e-mail and sent to the ARRA Reporting Mailbox: [WSB.RecoveryReporting@edd.ca.gov](mailto:WSB.RecoveryReporting@edd.ca.gov). Subrecipients should include the name of their organization in the subject line of***

***the e-mail and the designated EDD WSB Regional Advisor or Program Manager as a carbon copy (cc) recipient of the e-mail transmission.***

***ARRA Section 1512 quarterly reports should be submitted to the EDD WSB through the ARRA Reporting Mailbox no later than ten days after the beginning of the month in which the quarter ends. For example, for the quarter ending on March 31, 2010, subrecipients should submit their quarterly report by Wednesday, March 10, 2010. If the due date falls on a weekend, subrecipients should submit their report by the Friday prior to the weekend.***

***There are additional data elements required by the OMB for the ARRA Section 1512 report that are not being requested of subrecipients. These additional data elements will be taken from existing EDD WSB financial reports in the Job Training Automation System and will be completed by the EDD WSB. A key data element that will be used in the ARRA Section 1512 report is cash disbursements. As provided for in the OMB M-09-21 guidance, cash disbursements will be used to demonstrate the level of current expenditure of the ARRA funds. In order to assure that these figures reflect the accurate level of ARRA expenditures, subrecipients must complete cash draw-downs on a timely basis. Subrecipients are asked to ensure that cash draw-downs correctly reflect the level of ARRA funds expended against your ARRA grant.***

### **Required Data Elements**

The following data elements must be reported quarterly to the EDD WSB by all LWIAs and subrecipients of ARRA funds in accordance with ARRA Section 1512 and the FFATA.

Before each data element is a heading identifying which of the two Excel templates the data element is listed under: *ARRA Section 1512 Report (First Time Reporting)* or *ARRA Section 1512 Report (Subsequent Reporting)*. Each heading also contains a subheading identifying which tab of the Excel template the data element is listed under: Subrecipient, Vendors, Additional PoP Addresses, or Jobs Reported.

Each data element contains a brief description of the information that should be provided by the subrecipient in their report. A detailed description of each data element is available in OMB M-09-21, OMB M-10-08, and TEGL 1-09. Please note that OMB M-10-08 contains updated descriptions of data elements, which take precedence over the descriptions provided in OMB M-09-21 and TEGL 1-09.

### ***ARRA Section 1512 Report (First Time Reporting)***

The *ARRA Section 1512 Report (First Time Reporting)* Excel template should only be completed by subrecipients submitting their first quarterly report. Subrecipients who have already submitted a quarterly report should follow the instructions provided below under the *ARRA Section 1512 Report (Subsequent Reporting)* heading.

## **Subrecipient Tab**

Subrecipients should use the “Subrecipient” tab to provide general information about their organization.

### Subrecipient Legal Name (Row 3)

Subrecipients should provide the legal name of their organization as listed in the federal Central Contract Registration (CCR) database or the Data Universal Numbering System (D-U-N-S).

The CCR is the primary registrant database for the U.S. Federal Government. The CCR collects, validates, stores, and disseminates data in support of agency acquisition missions. Additional information about the CCR is available at the following Web site: [www.bpn.gov/ccr](http://www.bpn.gov/ccr).

The D-U-N-S is a system developed and is regulated by Dun & Bradstreet (D&B). D&B assigns a unique nine-digit numeric identifier for each physical location of a business entity. D-U-N-S number assignment is free for all businesses required to register with the federal government for contracts or grants. Additional information about D&B, including information on how to look-up or request a D-U-N-S number, is available at the following Web site: [www.dnb.com](http://www.dnb.com).

### Subrecipient D-U-N-S Number (Row 4)

Subrecipients should provide their organization’s nine-digit D-U-N-S number, as described above.

A legal entity, such as a city or county may have multiple D-U-N-S numbers. Subrecipients should provide the D-U-N-S number associated with their authority to receive WIA funds.

***If the D-U-N-S number begins with a zero, subrecipients must place an apostrophe before the zero for the system to recognize the D-U-N-S number.***

### Subrecipient Name and Address (Rows 6 through 12)

Subrecipients should provide the “doing-business-as” (DBA) name of their organization. A subrecipient’s DBA name may be the same as their legal name.

Subrecipients should provide the physical address of their organization as listed in the CCR or D-U-N-S. A street address should be provided for the first address line. A Post Office (PO) Box can be provided in the second address line, if applicable.

***Subrecipients must include a nine-digit ZIP code (ZIP code plus four) with the address provided.*** Subrecipients can look-up their nine-digit ZIP code at the following Web Site: [www.usps.com](http://www.usps.com).

### Subrecipient Primary Place of Performance (Rows 14 through 19)

Subrecipients should provide the primary Place of Performance (PoP) for their organization. The primary PoP is the address where the majority of the ARRA funded project work is performed. A street address should be provided for the first address line. A Post Office (PO) Box can be provided in the second address line, if applicable.

**Subrecipients must include a nine-digit ZIP code (ZIP code plus four) with the primary PoP address provided.** Subrecipients can look-up the nine-digit ZIP code of their primary PoP at the following Web Site: [www.usps.com](http://www.usps.com).

### Subrecipient Indication of Reporting Applicability (Row 21)

Subrecipients should provide a “yes” response if:

1. The public does not have access to information about the compensation of senior officers through periodic reports to the Internal Revenue Service or Security Exchange Commission; and
2. In the preceding fiscal year, the subrecipient received:
  - a. 80 percent or more of its annual gross revenues from federal contracts, subcontracts, loans, grants, subgrants, and cooperative agreements; and
  - b. \$25,000 or more in annual gross revenues in from federal contracts, subcontracts, loans, grants, subgrants, and cooperative agreements.

Subrecipients should provide a “no” response if they do not meet at least one of the criteria listed above.

### Subrecipient Highly Compensated Names and Compensation (Rows 22 through 31)

**Subrecipients should only complete rows 22 through 31 if a “yes” response was provided for row 21.**

Subrecipients should provide the names and total compensation of the five most highly compensated officers of the subrecipient for the calendar year in which the award is awarded.

As defined in OMB M-09-21, “total compensation” means the cash and noncash dollar value earned by an officer during the subrecipient’s past fiscal year. Subrecipients should refer to OMB M-09-21 for a more complete definition of “total compensation.”

### Subrecipient Number of Jobs (Row 32)

Subrecipients should provide the “total number of jobs” figure that was reported in column F of the “Jobs Reported” tab.

**Subrecipients should reference the instructions provided below under the “Jobs Reported” tab subheading before completing this field.** The instructions below contain definitions of “jobs created” and “jobs retained.” The instructions also provide

an example of how to calculate the “total number of jobs” using a calculation that converts part-time or temporary jobs into fractional “full-time equivalent” (FTE) jobs.

#### Subrecipient Description of Jobs (Row 33)

Subrecipients should provide a narrative description of the employment impact of the ARRA funded work, including a brief description of the types of jobs funded by the ARRA. This description may rely on job titles, broader labor categories, or the subrecipients existing practice for describing jobs, as long as the terms are widely understood and describe the general nature of the work.

#### **Vendors Tab**

Subrecipients should use the “Vendors” tab to provide information about vendors who have been paid with ARRA funds. The term “vendor” refers to a dealer, distributor, merchant or other seller providing goods or services that are required for the conduct of an ARRA related project or program. Subrecipients may purchase goods or services needed to carry out the ARRA-related project or program from vendors. Vendors are not awarded funds by the same means as subrecipients and are not subject to the terms and conditions of the federal financial award. The characteristics of a vendor that make it distinct from a subrecipient are summarized below.

A vendor:

1. Provides the goods and services within normal business operations;
2. Provides similar goods or services to many different purchasers;
3. Operates in a competitive environment;
4. Provides goods or services that are ancillary to the operation of the federal program; and
5. Is not subject to compliance requirements of the federal program.

A detailed definition of “vendor” is available in OMB M-09-21 and TEGL 1-09.

The OMB and the Department of Labor have not clarified whether Individual Training Accounts (ITAs) should be reported as vendor payments. As a result, subrecipients are asked to make their own determinations as to whether ITAs qualify as vendor payments based on the definition provided above and expanded upon in OMB M-09-21 and TEGL 1-09

***Subrecipients should only enter vendor information in columns B through G if the subrecipient had a single transaction greater than \$25,000 with the vendor during the quarter.***

#### Award Number (Column B)

Subrecipients should provide the award number assigned to the vendor payment by the subrecipient.

Vendor D-U-N-S Number **or** Vendor Name and ZIP Code + 4 (Columns C through E)

Subrecipients should provide **either** the vendor's nine-digit D-U-N-S number **or** the vendor's name and the nine-digit ZIP code (ZIP code plus four) of the vendor's headquarters.

**Subrecipients must include a nine-digit ZIP code (ZIP code plus four) if the vendor's D-U-N-S number is not provided.** Subrecipients can look-up a vendor's nine-digit ZIP code, provided the subrecipient has the address of the vendor's headquarters, at the following Web Site: [www.usps.com](http://www.usps.com).

Product and Service Description and Payment Amount (Columns F and G)

A description of the vendor product and service, and the payment amount, are optional.

Number of Vendor Transactions less than \$25,000 per Transaction (Table)

Subrecipients should provide the total number of vendor transactions, as well as the total dollar amount of those transactions, broken down by funding stream (i.e. Adult, Youth, and Dislocated Worker) and report period (i.e. October 1, 2009 through December 31, 2009) for vendor transactions less than \$25,000 per transaction during the quarter.

**Additional PoP Addresses Tab**

Subrecipients should use the "Additional PoP Addresses" tab to provide information about locations, other than the primary PoP, where ARRA funded projects or programs are located.

Additional PoP Address (Columns B through G)

Subrecipients should provide the address of the additional PoP where the ARRA funded project or program is located. Subrecipients should enter a street address in the first address line rather than a Post Office (PO) Box. A PO Box may be entered in the second line, if appropriate.

**Subrecipients must include a nine-digit ZIP code (ZIP code plus four) with the additional PoP address provided.** Subrecipients can look-up the nine-digit ZIP code of the additional PoP address at the following Web Site: [www.usps.com](http://www.usps.com).

Congressional, State Senate and State Assembly Districts (Columns H through J)

Subrecipients should provide the two-digit congressional, State Senate, and State Assembly numbers that correspond to the additional PoP address provided in columns B through G. A list of congressional districts is available at the following Web site: [www.congress.org](http://www.congress.org). Lists of State Senate and State Assembly districts are available at the following Web site: [www.leginfo.ca.gov](http://www.leginfo.ca.gov).

#### Project URL/Web Site (Column K)

Subrecipients should provide the Uniform Resource Locator (URL)/Web site that corresponds to the additional PoP address, if applicable.

#### Start and End Dates (Columns L and M)

Subrecipients should provide the start date of a business location that opened as a result of ARRA funds in column L. Subrecipients should provide the end date of a business location in column M if it is expected to close at a specific date in the future. These columns may be left blank if they are not applicable.

#### Budget (Columns N through P)

Subrecipients should provide the total amount of ARRA funds, broken down by WIA funding stream (i.e. Adult, Youth, and Dislocated Worker), allocated to the additional PoP address from February 17, 2009, the date the ARRA was signed, until the anticipated end date of the ARRA funded projects or programs.

#### Percentage Complete (Column Q)

Subrecipients should enter one of the following four choices: not started, less than 50 percent completed, 50 percent completed or more, or fully completed.

#### Project Name (Column R)

Subrecipients should provide the name of the ARRA funded project performed at the additional PoP address.

#### Project Description (Column S)

Subrecipients should provide a brief description of the ARRA funded work performed at the additional PoP address.

#### **Jobs Reported Tab**

Subrecipients should use the “Jobs Reported” tab to provide the number of jobs that have been created or retained during the quarter as a result of ARRA funds.

As defined in OMB M-09-21, OMB M-10-08, and TEGL 1-09, a job “created” is a new position created and filled, or an existing unfilled position that is filled, that is funded by the ARRA. A job “retained” is an existing position that is now funded by the ARRA. A job cannot be counted as both created and retained. Only compensated employment in the United States or outlying areas should be counted.

TEGL 1-09, Change 1, provides that, ***“Consistent with OMB guidance, summer youth employment opportunities and employment opportunities occurring outside the summer months funded with ARRA WIA Youth funds are to be included in the Jobs Creation Estimates by prime recipients.”***

**The DOL has also clarified that “on-the-job” training and “paid internships” under the WIA program are considered training activities and are not to be counted as “jobs created” for the purposes of the ARRA Section 1512 Report.** Internships and work experience for adults (paid and unpaid) are discussed in WIA Section 134(d)(3)(C) and the Code of Federal Regulations, Title 20, Part 663.200.

The requirement for reporting estimates of the number of jobs created or retained is based on a simple calculation used to avoid overstating the number of other than full-time permanent jobs. This calculation converts part-time or temporary jobs into fractional “full-time equivalent” (FTE) jobs.

In order to perform the calculation, a subrecipient will need the total number of hours worked by employees in the most recent quarter (the quarter being reported) in jobs that meet the definition of a job created or retained. The subrecipient will also need the number of hours in a full-time schedule for the quarter, as defined by the subrecipient. For instance, if a full-time schedule is 2,080 hours/year, the number of hours in a full-time schedule for a quarter is 520 (2,080 hours/4 quarters = 520).

Example: Assume that a subrecipient’s ARRA funds paid for two full-time employees and one part-time employee working half days for the quarter. Also assume that the subrecipient’s full-time schedule for the quarter is 520 hours. To convert hours worked to number of FTE for the quarterly report, aggregate all hours worked and divide by the number of hours in a full-time schedule for the quarter.

In this example, two full-time employees each worked 520 hours (1,040 hours combined) plus one employee worked half-time or 260 hours for a total of 1,300 hours worked. Divide total number of hours worked by the number of hours in a full-time schedule for the quarter:  $1,300 \div 520 = 2.5$  FTE reported for the number of jobs created or retained.

<b>EXAMPLE: FTE CALCULATION FOR JOBS CREATED OR RETAINED</b>						
<b>Period</b>	<b>3<sup>rd</sup> qtr</b>	<b>4<sup>th</sup> qtr</b>	<b>1<sup>st</sup> qtr</b>	<b>2<sup>nd</sup> qtr</b>	<b>3<sup>rd</sup> qtr</b>	<b>4<sup>th</sup> qtr</b>
Full-Time Schedule (Denominator)	520	520	520	520	520	520
Full-Time Employee 1	520	520	520	260	130	130
Full-Time Employee 2	520	520	260	260	130	130
Part-Time Employee (half time)	260	260	260	260	130	130
Temporary Employee (390 hours)	0	0	130	130	130	0
<b>Total Hours Worked (Numerator)</b>	<b>1,300</b>	<b>1,300</b>	<b>1,170</b>	<b>910</b>	<b>520</b>	<b>390</b>
<b>Quarterly FTE Reported</b>	<b>2.50</b>	<b>2.50</b>	<b>2.25</b>	<b>1.75</b>	<b>1.0</b>	<b>.75</b>

**ARRA Section 1512 Report (Subsequent Reporting)**

The ARRA Section 1512 Report (Subsequent Reporting) Excel template should only be completed by subrecipients who have already submitted a quarterly report. The ARRA Section 1512 Report (Subsequent Reporting) Excel template is different from the ARRA Section 1512 Report (First Time Reporting) Excel template in that it only contains data elements that need to be updated quarterly.

The *ARRA Section 1512 Report (Subsequent Reporting)* Excel template contains three tabs: Vendors, Additional PoP Addresses, and Jobs Reported. These tabs are identical to the tabs provided on the *ARRA Section 1512 Report (First Time Reporting)* Excel template.

***Subrecipients should reference the instructions provided above when completing the three tabs on the ARRA Section 1512 Report (Subsequent Reporting) Excel template.***

**ACTION:**

This directive should be brought to the attention of all LWIAs and subrecipients of ARRA funds.

**INQUIRIES:**

If you have any questions, please contact your [Regional Advisor](#) or Program Manager at (916) 654-7799.

/S/ BOB HERMSMEIER  
Chief  
Workforce Services Division