

DIRECTIVE

WORKFORCE SERVICES

Number: WSD12-11

Date: January 18, 2013
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TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: FFATA COMPENSATION DATA REPORTING REQUIREMENTS

EXECUTIVE SUMMARY:

Purpose:

The purpose of this directive is to provide guidance to federally funded sub-awardees and subcontractors on Federal Funding Accountability and Transparency Act (FFATA) reporting requirements. All entities that receive federal funding from the Employment Development Department (EDD) are required to complete the attached form and return it by the due date to EDD Workforce Services Branch (WSB). The vast majority of WSB grant subrecipients will not meet the threshold reporting requirements and will not be required to report executive compensation on the form. However, the WIA PY 2012 Federal Funding Agreement with the State requires compliance with FFATA. The Agreement stipulates that Grantees must ensure that they have the necessary processes and systems in place to comply with the federal reporting requirements of FFATA.

Scope:

This directive applies to all entities that receive at least \$25,000 in federal funding from EDD. Funds that were received under the American Recovery and Reinvestment Act of 2009 are exempt from FFATA reporting requirements.

Effective Date:

This directive is effective upon issuance.

REFERENCES:

- The FFATA of 2006, Public Law 109-282, 120 Stat. 1186, S. 2590 (enacted September 26, 2006) and subsequent 2008 amendments 31 USC 6101
- Federal Register Volume 75, Number 177, Page 55663, Requirements for FFATA Implementation (Interim final guidance) (Sept 14, 2010)
- Federal Register Volume 75, Number 177, Page 55671, Financial Assistance Use of Universal Identifier and Central Contractor Registration (Sept 14, 2010)

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- Training and Employment Guidance Letter (TEGL) 11-10, Sub-award and Executive Compensation Data Reporting Requirements Under the FFATA (November 15, 2010)
- TEGL 29-08, Dun & Bradstreet Data Universal Numbering System (DUNS) Number/Central Contractor Registration (CCR) Mandatory Requirement for Federal Grant Sub-recipients under the American Recovery and Reinvestment Act of 2009 (June 10, 2009)
- Memorandum for Senior Accountable Officials Over the Quality of Federal Spending Information, Open Government Directive – Federal Spending Transparency, (April 6, 2010):
www.whitehouse.gov/sites/default/files/omb/assets/open_gov/OpenGovernmentDirective_04062010.pdf
- Memorandum for Senior Accountable Officials, Open Government Directive – Federal Spending and Transparency and Compensation Data Reporting, (August 27, 2010):
www.whitehouse.gov/sites/default/files/omb/open/Executive_Compensation_Reporting_08272010.pdf

STATE-IMPOSED REQUIREMENTS:

This directive does not contain any State-imposed requirements.

FILING INSTRUCTIONS:

This Directive finalizes Draft Directive WSDD-77, issued for comment on October 24, 2012. The Directive provides final guidance regarding Federal Funding Accountability and Transparency Act reporting requirements imposed by the federal government. WSB received comments from three persons during the draft comment period. In addition to several sections of superfluous text being deleted, the comments resulted in four changes to the directive. These changes are viewed as highlighted text. The highlighted text will remain on the Internet for 30 days from the issuance date. A summary of the comments are provided as an attachment.

Retain this directive until further notice.

BACKGROUND:

On November 15, 2010, the Department of Labor (DOL) issued TEGL 11-10 to notify all Employment and Training (ETA) workforce system agencies of additional Office of Management and Budget (OMB) reporting requirements under the FFATA.

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 the 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.

POLICY AND PROCEDURES:

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, prime recipients of federal grants and cooperative agreements are 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 sub recipients in the FFATA Subaward Reporting System (FSRS) database. The EDD is the prime grant awardee and must report all information associated with a Federal grant, either regarding executive compensation data for prime awardees or subrecipients. The subrecipient, however, has an obligation to provide to EDD all information required for such reporting through completion of the attached FFATA Data Report sheet.

ACTION:

The OMB and DOL require reporting to be done in accordance with the instructions and the timelines contained in this directive and in accordance with the references provided. A FFATA Report Data Sheet with descriptions of the data required is attached to this directive. **Use the data sheet to identify each funding stream** your organization receives from EDD.). If you answer “yes” to the three questions in Section 2 of the FFATA Report Data Sheet, then you must also complete Section 3. If you respond “no” to any of the questions in Section 2 of the FFATA Report Data Sheet, do not complete Section 3. Submit the completed Data Sheet to EDDWSBFFATAREporting@edd.ca.gov.

Required FFATA Report Data Sheet (Attached)

The following data elements must be reported to the EDD WSB by all subrecipients of federal funds. **Requirements under this directive only relate to federal funding received from EDD by an entity.**

Subrecipient/Organization’s Legal Name

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). **If the parent organization and not the EDD funded entity is listed in the CCR, then please also provide the name of the LWIA on the data sheet.**

The CCR is the primary registrant database for the U.S. Federal Government. The CCR collects, validates, stores, and disseminated data in support of agency acquisition missions. Additional information about the CCR is available at the following Web site: www.osdbu.dot.gov/related/ccr.cfm.

The D-U-N-S is a system developed and is registered by the Duns & 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.

Subrecipient /Organization Address

Subrecipients should provide the place of performance for their organization. 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 place of performance address provided. Subrecipients can look-up the nine-digit ZIP code of their place of performance at the following Web site: www.usps.com

Section 1: Subrecipients D-U-N-S Number

Subrecipients need to 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 federal funds.

Section 2: Subrecipient Executive Compensation Questions

Subrecipients should provide a "yes" response if:

- 1) In the preceding fiscal year, the subrecipient received:
 - a. 80 percent or more of its annual gross revenues in U.S federal contracts, loans, grants, subgrants, and/or cooperative agreements; and
 - b. \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements.
 - c. The public has not had access to information about the compensation of the executives in the subrecipients business or organization through periodic reports filed to the Security Exchange Commission or Internal Revenue Service.

Subrecipients should provide a "no" response if they do not meet the criteria above.

Section 3: Subrecipient Most Highly Compensated Names and Compensation

Subrecipients should only complete Section 3 if a "yes" response was provided to all three questions.

Subrecipients should provide the names and total compensation of the five most highly compensated executives of the subrecipient for the calendar year in which the funding was awarded.

At the bottom of the Data Sheet, please provide a contact name, phone number and title in the event follow up is needed.

Completed FFATA Data Sheets are due to the EDD Workforce Services Branch no later than February 11, 2013 and should be submitted to the following email address: EDDWSBFFATAREporting@edd.ca.gov.

This directive should be brought to the attention of those who will be required to provide the data/information.

INQUIRIES:

If you have any questions, please contact Bob Hermsmeier at (916) 654-6740 or Viviana Neet at (916) 653-9150.

/S/ MICHAEL EVASHENK, Chief
Workforce Services Division

Attachment is available on the Internet:

1. [FFATA Subrecipient Data Sheet](#)
2. [Summary of Comments](#)