

Transparency Act – 101

A GR/State Rep's Handy-dandy Guide to What Is Required¹

Federal Spending Transparency

The Open Government Directive detailed transparency as a cornerstone of an open government. Full and easy access to information on government spending promotes accountability by allowing detailed tracking and analysis of the deployment of government resources. Such tracking and analysis allow both the public and public officials to gauge the effectiveness of expenditures and to modify spending patterns as necessary to achieve the best possible results. Transparency also gives the public confidence that we are properly managing its funds. In response to this, the Deputy Director for Management at OMB is issuing the following memorandum to increase the culture of transparency in federal spending:

[Open Government Directive – Federal Spending Transparency](#): This memorandum establishes an **October 1, 2010**, deadline for Federal agencies to initiate sub-award reporting and provides a timeline for additional guidance to assist agencies in meeting these goals, initiates new requirements for Federal agencies to maintain metrics on the quality and completeness of Federal spending data provided, and announces the release of the new USAspending.gov website.

[Open Government Directive - Federal Spending Transparency through Subaward and Executive Compensation Reporting](#): This memorandum provides Federal agencies with guidance on reporting subaward and compensation data for Federal contracts and grants. As required by the Federal Funding Accountability and Transparency Act ("Transparency Act" or "FFATA") and subsequent OMB guidance, information on the first-tier subawards related to Federal contracts and grants and the executive compensation of awardees must be made publicly available. This memorandum and accompanying documents provide agencies with guidance to implement these reporting requirements.

Who Is Responsible for Reporting

Prime awardees (i.e. States) of Federal grants \$25K or higher that are **awarded on or after October 1, 2010**.

How to Report

Prime awardees (states) will use the FFATA Subward Reporting System (FSRS) to report sub-award and/or sub-awardee executive compensation data (<http://www.fsr.gov>).

What Gets Reported

Prime grantee (States) information:

- Prime awardee data such as name, address and DUNS number. These elements will be automatically drawn from Federal data and will pre-populate the FSRS site.
- Prime awardee executive compensation data. This includes the five most highly compensated officers if the entity in the preceding FY received 80% or more of its annual gross from Federal awards **and** \$25M or more in annual gross revenues from Federal awards **and** if the public does not have access to this information through certain other Federal reports. This information may be pre-populated into the FSRS website if the State has provided the information in the Central Contractor Registration System (CCR).

¹ This guide is a compilation of multiple sources of information. Thanks to all that sent out material!

Subawardee (subgrants of \$25K or more) information:

- Subawardee data such as entity information, DUNS number, subaward description/title and date of award
- Subawardee executive compensation data. This includes the five most highly compensated officers if the entity in the preceding FY received 80% or more of its annual gross from Federal awards **and** \$25M or more in annual gross revenues from Federal awards **and** if the public does not have access to this information through certain other Federal reports.
- Many of the subawardee data elements including subawardee executive compensation data can be pre-populated if the subawardee opens and maintains an active registration in the CCR (see pre-requisites below).

When to Report

The Act is effective for grants awarded on or after October 1, 2010.

Reporting must occur by the last day of the month following the month in which the award was made (i.e. November 30 for a grant made any day in October).

Pre-Requisites for Reporting

- There are no new reporting requirements for Federal agencies who will continue to submit data elements in the FAADS PLUS format which is used to pre-populate prime awardee information into the data base.

Prime awardees (States) must:

- Obtain a DUNS number from Dun & Bradstreet;
- Register in the Central Contractor Registration System (CCR) (<http://www.ccr.gov>);
- Register in FSRS (<http://www.fsrs.gov>).

Sub-awardees must:

- Obtain a DUNS number from Dun & Bradstreet at <http://fedgov.dnb.com/webform> or (866) 705-5711; and
- Provide all information to be reported to the prime including a DUNS number.
- Sub-awardees are not required to be registered in CCR; however if they do register, the information will transfer to and pre-populate the FSRS website.

Monitoring

- NHTSA will develop internal controls that may include statistical sampling of entries when Regional Office staff conduct a management review; as well as periodic checking that entries are in fact being made by the prime grantees to demonstrate compliance with the Act.
- OMB has provided early indication that they plan to develop a quality control plan.

How the Data Will be Made Available to the Public

- All data will be collected through FSRS and posted on USASpending.gov

Sub-Awardee Data Elements to be Collected

The next page is a sample FFATA sub-grantee data collection sheet that prime awardees must collect to report on qualifying sub-grantees.²

² Thanks to NJ DHTS for providing sample!

Federal Financial Accountability and Transparency Act Information Form

To be completed by Sub-recipient:

1. Agency Name _____
2. City _____ 3. State _____
4. Congressional District _____ 5. County _____
6. DUNS Numbers _____ (<http://www.dnb.com/us>)
7. Location of primary place of performance of project (if different than above):
 City _____ State _____
 Congressional District _____ County _____
8. Central contractor registration completed Yes _____ No _____
9. The names and total compensation of the five most highly compensated officers of the entity (and parent if owned by another entity) if:
 - (i) The entity in the preceding fiscal year received;
 - (a) 80 percent or more of its annual gross revenues in Federal awards; and
 - (b) \$25,000,000 or more in annual gross revenues from Federal awards; and
 - (ii) The public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d) or section 6104 of the Internal Revenue Code of 1986).

Officer Name	Total Compensation
#1 _____	_____
#2 _____	_____
#3 _____	_____
#4 _____	_____
#5 _____	_____
10. Signature of Agency Representative _____

To be completed by Division/Sub-Grantor

1. Amount of award _____
2. Federal _____ 3. Match or state share _____
4. Award title _____ 5. Award number _____
6. Transaction type _____
7. CFDA number _____
8. Program source _____