

Transparency Act Subaward Reporting and Executive Compensation

September 15, 2010



Agenda

- ▶ Transparency Act background
- ▶ What new reporting is required?
- ▶ Who is responsible for reporting?
- ▶ When does reporting begin?
- ▶ How do I report?
- ▶ What is FSRS?
- ▶ How long do I have to report?
- ▶ Summary



The Federal Funding Accountability and Transparency Act (FFATA) of 2006 and subsequent 2008 amendments:

- ▶ Requires information disclosure of entities receiving Federal funding through Federal awards such as Federal contracts and their sub-contracts and Federal grants and their sub-grants
- ▶ Requires disclosure of executive compensation for certain entities
- ▶ Requires the establishment of a publicly available, searchable website that contains information about each Federal award
- ▶ Requires agencies to comply with OMB guidance and instructions and assist OMB in implementation of website



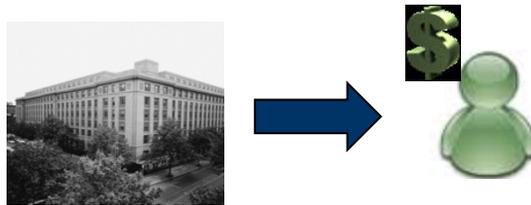
What new reporting is required?

- ▶ Prime contract awardees of contracts \$25K or more must report associated contract subawards
 - Data collection will be phased with all required contract subawards reporting by March 2011 (see slide 6 for more details)
- ▶ Prime grant awardees of grants \$25K or more must report associated grant subawards
- ▶ Executive compensation information for awardees

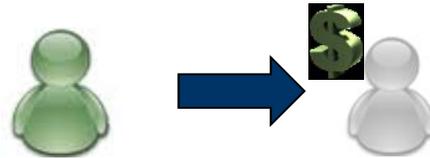
NOTE: Classified information remains exempt from the prime and subaward reporting requirement

Who is responsible for reporting?

- ▶ Agencies must report prime award information



- ▶ Prime awardees must report subaward information





When does reporting begin?

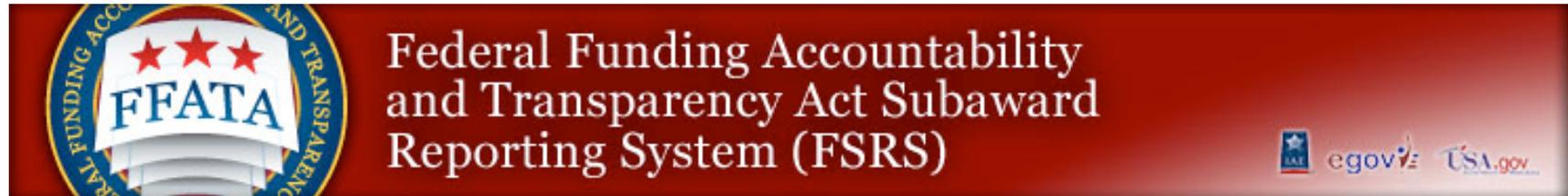
- ▶ Contracts subaward (sub-contracts only) reporting requirement will be phased in
 - **Phase 1:** Reporting subawards of prime awards valued greater than \$20M began in **July 2010**
 - **Phase 2:** Reporting subawards of prime awards valued greater than \$550K begins **October 1, 2010**
 - **Phase 3:** Reporting subawards of prime awards valued at \$25K or more begins **March 1, 2011**
- ▶ Grants subaward (sub-grants only) reporting is required for all awards made on or after **October 1, 2010** for all prime grant awards \$25K or more
 - FSRS will begin accepting reports on **October 29, 2010**



How do I report?

- ▶ Agencies must report **prime grant** award information through the **Federal Assistance Award Database System Plus format (FAADS+)**
- ▶ Agencies must report **prime contract** award information through the **Federal Procurement Data System – Next Generation (FPDS-NG)**
- ▶ Prime contract and grant awardees must report **subaward** information through the **FFATA SubAward Reporting Systems (FSRS)**
- ▶ Prime contract and grant awardees must register with the **Central Contractor Registry (CCR)**
- ▶ If required, prime contract and grant awardees must report executive compensation through **CCR**

What is FSRS?



FSRS is the FFATA Subaward Reporting System and can be found at www.fsr.gov. Its functions include:

- ▶ Currently collects subcontract award information from prime awardees
- ▶ Beginning October 29th FSRS will also collect subgrant award information
- ▶ Currently supports CSV “batch” inputs. Beginning November 15th FSRS will support XML inputs
- ▶ Pre-populates prime award information. Prime awardees enter following sub-award information if not pre-populated:
 - Name of entity receiving award
 - DBA name (Grants)
 - Amount of award
 - Subcontract/Subcontract Number
 - Funding agency
 - CFDA Number (Grants)
 - NAICS (Contracts)
 - Treasury Account Symbol (Contracts)
 - Award title descriptive of the purpose of the funding action
 - Location of the entity (including congressional district)
 - Place of performance (including congressional district)
 - Unique identifier (e.g., DUNS) of the entity and its parent and DUNS +4 (Grants)
 - Total compensation and names of top five executives
- ▶ Leveraging Electronic Subcontract Reporting System (eSRS) so you do not need to re-register if you have an existing account in eSRS.



How long do I have to report?



All awardees must report by the end of the month following the month the award or obligation was made

- ▶ For example, if an award is made on October 10, 2010 the awardee would have until November 30, 2010 to report the award – all awards made during October will have until November 30, 2010 to report

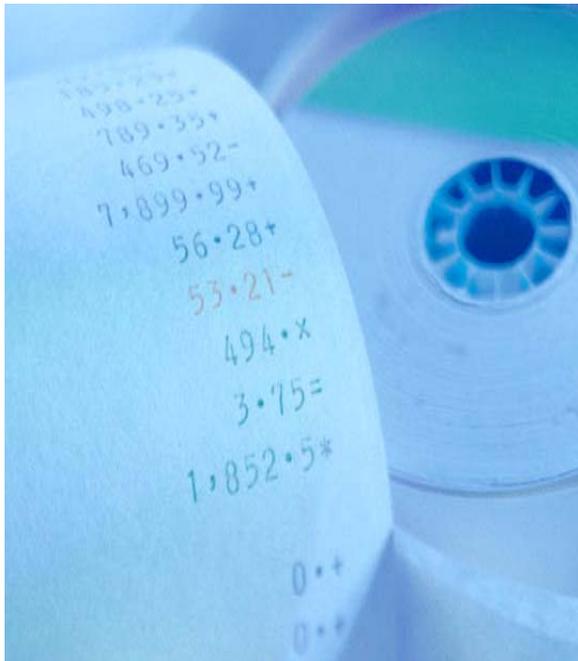


Summary

Who?	Reports what?	How?
Agency	Prime award information for awards \$25K or more	FAADS+ for grants, FPDS-NG for contracts
Prime contract awardee	Company information Executive compensation Contract subaward for awards \$25K or more	CCR CCR or FSRS* FSRS
Prime grant awardee	Company information Executive compensation Grant subaward information for awards \$25K or more	CCR CCR or FSRS* FSRS

* If executive compensation is not found in CCR it can be supplied through FSRS

Other guidance and documents help implement FFATA reporting requirements.



- ▶ The Office of Management & Budget has issued guidance related to Open Government and Transparency to include the April 6, 2010 memo requiring the reporting of first-tier subawards.
- ▶ On July 8, 2010, an interim FAR Rule with request for comments was published that contains information on the FFATA reporting requirements for Federal contracts. Comments were due by September 7, 2010.
- ▶ On August 27, 2010, OMB issued guidance to federal agencies on implementation of the FFATA executive compensation and subaward reporting.



Questions or Comments

Federal Spending Transparency:

www.USASpending.gov

OMB's website for Federal Spending Transparency:

www.whitehouse.gov/omb/open

FFATA Sub-award Reporting System

www.fsrs.gov