



Talking Points NASACT 12-03-09 Recipient Reporting Webinar

What worked and what didn't work for the Recovery Act first quarterly reporting?

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- GAO -10-223 Recovery Act: Recipient Reported Jobs Data Provide Some Insight into Use of Recovery Act Funding, but Data Quality and Reporting Issues Need Attention (issued on November 19, 2009)

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- Report objectives:
 - The extent to which recipients were able to fulfill their reporting requirements and the processes in place to help ensure recipient reporting data quality, and
 - How macroeconomic data and methods, and the recipient reports, can be used to assess the employment effects of the Recovery Act, and the limitations of the data and methods



I. Processes and Guidance for Recipient Reporting

A. What worked?



1. Given the national scale of the recipient reporting exercise and the limited time frame within which it was implemented the ability of the reporting mechanism to handle the volume of data from a wide variety of recipients represents a solid first step in moving toward more accountability and transparency in using federal funds



2. The agencies we reviewed had had their data quality review plans assessed by their IGs. Published IG audits on agencies' Recovery Act data quality reviews that we examined indicated that federal agencies were using a variety of data quality checks that included automated or manual data quality checks or a combination.



3. Agencies performed data quality checks and corrected erroneous data reported to federalreporting.gov. More than three quarters of prime recipient reports were marked as having undergone agency review.



Table 6: Prime Recipient Reports Reviews and Corrections

Number of prime recipient reports	Percentage	Reviewed by agency	Reviewed by prime recipient	Correction
2,959	5	No	No	No
8,201	14	No	No	Yes
1	1<	No	Yes	Yes
37,911	67	Yes	No	No
7,900	14	Yes	No	Yes
13	1<	Yes	Yes	No
1	1<	Yes	Yes	Yes
Total	56,986	100%		

Source: GAO analysis of Recovery.gov data.



4. Every state that we contacted and the District of Columbia had quality review processes in place at the state or at the state agency level.



5. OMB and Recovery Board and agencies provided guidance to states and primes and sub-recipients.



6. A good faith effort made by the jurisdictions that we visited to report complete and accurate data.



B. What went wrong?



1. Varying interpretations of the reporting guidance

a. Variation in performance period for calculating jobs



Table 4: Aggregation of FHWA FTE Data

	<i>Project A</i>	<i>Project B</i>	<i>Project C</i>
<i>Start date</i>	July 1	August 1	September 1
<i>Full-time employees</i>	10	10	10
<i>Duration of project as of September 30</i>	3 months	2 months	1 month
<i>Average monthly FTE per FHWA</i>	10	10	10
<i>Cumulative FTE per OMB guidance</i>	10	6.67	3.33
<i>FTE standardized on a quarterly basis</i>	10	6.67	3.33
<i>Job-years</i>	2.5	1.67	0.83

Total FTE as calculated by FHWA and aggregated on Federalreporting.gov = 30

Total cumulative FTE per OMB guidance = 20

Total FTE on a standardized quarterly basis = 20

Total job-years = 5 (standardized FTE)

Source: GAO analysis.



b. Variation in understanding how to calculate a full time equivalent jobs number



Table 5: OMB's Cumulative FTE versus a Standardized Measure

	<i>Project X</i>	<i>Project Y</i>
<i>Start date</i>	July 1	October 1
<i>Full-time employees</i>	10	10
<i>Duration of project as of December 30</i>	6 months	3 months
<i>Cumulative FTE per OMB guidance</i>	10	10
<i>FTE standardized on a quarterly basis</i>	20	10
<i>Job-years</i>	5	2.5

Total Cumulative FTE per OMB guidance = 20
 Total FTE on a standardized quarterly basis = 30
 Total job-years = 7.5 (standardized FTE)
 Source: GAO analysis.



2. Confusion about the definition of a job retained and how to count it.



3. Some guidance from agencies came late in the reporting process, for example from HUD and the Department of Education that had less previous experience than DOT, in calculating jobs produced by programs they fund and administer.



II. Data displayed on Recovery.gov

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1. GAO calculated the overall sum and sum by states for number of FTEs reported, award amount, and amount received. We found that these data corresponded closely with values shown for these data on Recovery.gov.

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2. Some of the data fields we examined with known values such as the Treasury Account Symbol (TAS) codes and Catalog of Federal Domestic Assistance (CFDA) numbers showed no invalid values on recipient reports.



3. However when we combined the TAS and CFDA data fields with the data filed identifying who the funding or awarding agency is, we found 454 reports with a mismatch on the CFDA number--therefore the CFDA number shown on the report did not match the CFDA number associated with either the funding or awarding agency shown on the report.

4. On TAS codes, we identified 595 reports where there was no TAS match. Included in the mismatches were 76 recipient reports where GAO was erroneously identified as either the funding or awarding agency.



These mismatches suggest that either the identification of the agency the TAS and CFDA codes are in error on the recipient report.



5. We examined the relationship between recipient reports showing the presence or absence of any FTE counts with the presence or absence of finding amounts shown in either or other data fields for amount of Recovery Act funds received and amount of funds expended. Forty four percent of the prime recipient reports showed and FTE value. We don't know why 56% did not show an FTE value.



6. We identified 3, 978 prime recipient reports where FTEs were reported and no dollar amounts recorded for funds received and amount of Recovery Act funds expended. These records account for 58, 386 of the total 640, 329 FTEs reported. 71% of the prime recipient reports that did not show any FTEs also did not show any dollar amounts in the data fields for amount of Recovery Act funds received and expended.



7. There were 9,427 reports that showed no FTEs but did show some funding amount in either of both of the funds received or expended data fields. The total value of the funds reported was \$965 million.



Table 3: Count of Prime Recipient Reports by Presence or Absence of FTEs and Recovery Act Funds Received or Expended

Recovery Act funds	Reports with FTEs	Reports without FTEs
Received or expended funds reported ^a	21,280 (84%)	9,247 (29%)
No received or expended funds reported	3,978 (16%)	22,481 (71%)
Total	25,258 (100%)	31,728 (100%)

Source: GAO analysis of Recovery.gov data.

^aPrime recipient reports showing a non zero dollar amount in either or both Recovery Act funds received or expended data fields.



III. Technical Reporting and Processing Glitches



1.State officials with decentralized reporting structures reported problems downloading submitted information from Recovery.gov to review top-line figures such as money spent and jobs created or retained.



2. One state said that Federalreporting.gov was very slow. The state noted that every time the system was processing input and it encountered an error, it kicked back the whole submission, but showed only one error. This happened several times.



3. Other recipients reporters we interviewed reported issues with DUNS numbers and other key identifiers, along with the inability to enter more than one congressional district for projects that span multiple districts.



4. For the most part, state officials reported being able to work through technical reporting and processing glitches. A number of states noted that in spite of the tremendous amount of data being submitted, Federalreporting.gov held up well



Recommendations

- OMB should:
 - Clarify the definition and standardize the period of measurement for FTEs and work with federal agencies to align this guidance with OMB's guidance and across agencies;
 - Given its reporting approach, consider being more explicit that "jobs created or retained" are to be reported as hours worked and paid for with Recovery Act funds, and;
 - Continue working with federal agencies and encourage them to provide or improve program-specific guidance to assist recipients, especially as it applies to the full-time equivalent calculation for individual programs.

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Recommendations cont.

- Given some of the issues that arose in our review of the reporting process and data, we also recommend that OMB should work with the Recovery Board and federal agencies to re-examine the review and quality assurance processes, procedures and requirements in light of experiences and identified issues with this round of recipient reporting and consider whether additional modifications need to be made and if additional guidance is warranted.

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GAO Observations

As recipient reporting moves forward, we will continue to review the processes that federal agencies and recipients have in place to ensure the completeness and accuracy of data, including reviewing a sample of recipient reports across various Recovery Act programs to assure the quality of the reported information.

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As existing recipients become more familiar with the reporting system and requirements, these issues may become less significant.

However, communication and training efforts will need to be maintained and in some cases expanded as new recipients of Recovery funding enter the system.

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