



COMPTROLLER

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MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (FINANCIAL  
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OF THE DEPARTMENT OF DEFENSE  
COMPTROLLERS OF DEFENSE AGENCIES  
COMPTROLLERS OF THE DOD FIELD ACTIVITIES

SUBJECT: Guidance for Financial Reporting and Data Requirements for the American  
Recovery and Reinvestment Act of 2009

This memorandum provides guidance for execution and reporting data requirements related to the American Recovery and Reinvestment Act (Recovery Act) of 2009. The Office of Management and Budget (OMB) M-09-15 (Updated Implementing Guidance for the American Recovery and Reinvestment Act of 2009, dated April 3, 2009) provided specific requirements on execution and reporting on Recovery Act Funds and these requirements have been augmented by Presidential Memorandum and OMB. Based on these sources, Attachment 1 of this memorandum includes guidance on the following topics:

1. Weekly Financial and Activity Reports
2. Weekly Funding Notification Reports
3. Major Communications
4. Registered Lobbyist Communication
5. Project Cost Variations During Execution of Recovery Act Plans
6. Risk Management
7. Spending Plans

8. Order of Preference for Funds Execution
9. Systems Coding Structures

The Office of the Under Secretary of Defense (Comptroller) will be using an existing centralized database that collects execution information of the Recovery funding at project-level to address financial activity reporting requirements of ARRA. This database, known as Business Enterprise Integration System (BEIS), will be logically integrated with the DoD contracting system, thus providing the ability for DoD to track Recovery projects spending by vendor and performing state level. This ensures compliance with general financial management policies pertaining to the Recovery Act.

My point of contact for Recovery Act reporting guidance related questions is Mr. Joseph Doyle at [joseph.doyle@osd.mil](mailto:joseph.doyle@osd.mil) at (703) 614-3523.



Michael J. McCord  
Principal Deputy Under Secretary of Defense  
(Comptroller) and Senior Defense  
Accountable Official for Recovery Act

Attachments:  
As stated

cc: OUSD(C) Deputy Comptroller (Program/Budget)  
OUSD(C) Deputy Comptroller (Strategy, Capabilities, and Acquisition)  
OUSD(C) Deputy Chief Financial Officer  
OUSD(C) Program/Budget Directorates  
OUSD(C) Business Integration Office

**Financial Reporting and Data Requirements Guidance  
for the American Recovery and Reinvestment Act of 2009**

**1. WEEKLY FINANCIAL AND ACTIVITY REPORTS**

- **Requirement Source:** OMB Memo (M-09-15), “Updated Implementing Guidance for the American Recovery and Reinvestment Act of 2009”, Section 2.4.
- **Purpose:** To report Recovery Act funding that has been obligated and/or outlaid (paid out) to recipients as well as to provide detail on the type of award and, for grant obligations and gross outlays, the state where the payment was sent. The report is intended to inform on what funding has been obligated and outlaid as well as to highlight the geographic location of where the funding is going.
- **Frequency:** The report is submitted to Recovery.Gov each Tuesday for cumulative data through the prior Friday.
- **Procedures:** The Department has developed a system to accumulate Recovery Act financial data through data submitted/extracted from Services’ field level accounting systems. On Friday of each week a draft report with data through Thursday of that week along with other information will be distributed to interested DoD personnel and on Monday morning a report containing the final financial data for the week will be distributed. The responsible offices will submit their completed action items for the prior week and future actions for the coming week. The action items should submit information to [joseph.doyle@osd.mil](mailto:joseph.doyle@osd.mil) and [matt.lorelli@osd.mil](mailto:matt.lorelli@osd.mil) by Noon Monday.

NOTE: Not all activities which will receive Recovery Act funds provide transactions to the BEIS, and those that do not will be identified and a manual submission will be required each Monday preceding the report submission.

<i>Financial and Activity Report (sheet 1 of 2) Version 1.4</i>							
Agency Name:	(007)						
Week End Date:	05/22/2009						
Agency / Bureau	TAFS	Sub-Account Code (OPTIONAL)	Award Type	US Indicator	State Code	Total Obligations	Total Gross Outlays

**ATTACHMENT 1**

- To minimize the impact of reporting on fund holders a locked EXCEL spreadsheet report has been developed pursuant to OMB guidance using the maximum amount of currently available data.

**The reporting requirements for each field are as follows:**

Agency Name

- Department of Defense

Week End Date

- Definition: Date of the Friday at the end of the week being reported.
- Data Source: System Generated

Agency / Bureau

- Definition – Agency is the Department of Defense. Bureau is the type of appropriation such as Military Construction, Operations & Maintenance, RDT&E, Family Housing, etc.
- Data Source – Agency/Bureau is selected from a drop down menu

TAFS

- Definition – Treasury Account Fund Symbol (TAFS) assigned by the US Treasury. This is the Agency Code (first 2 characters of the 9 position Treasury Account Symbol), the Account Code (3<sup>rd</sup> to 6<sup>th</sup> characters of the 9 position Treasury Account Symbol) and optional Sub-Account Code (7<sup>th</sup> to 9<sup>th</sup> characters of the 9 position Treasury Account Symbol) and the title of the TAFS.
- Data Source – TAFS is selected from a drop down menu.

Award Type

- Definition - This report should include all award types including formula grants, block grants, discretionary grants, cooperative agreements, loans (direct and guaranteed), contracts and orders (and modifications when applicable), or other (e.g., Salaries & Expenses, Travel, One-time payments). These types should include both competitive and non-competitive awards.
- Data Source – Data will be derived from document data provided. No end user input required.

US Indicator

- Definition- This is an indicator as to whether payment address is within US or its territories (i.e., “Y” if the payment address is within the US or a US Territory, or “N”, if not within the US or a US Territory).

- Data Source – Derived from place of performance. Not required for Contracts and Other which is defined above in the “award type” definition block. No end user input required.

#### State Code

- Definition - State Code should only be populated only for grants (regardless of the grant type, including cooperative agreements and tribal agreements). For the Financial Activity Report, the state (or US territory) is where the payment for the recipient of the award is sent. In most cases, this should be the recipient’s payment address state code in the agency financial system.
- Data Source – Derived from system data. No end user input required.

#### Total Obligations

- Definition – Total Obligations - Actual dollar amount rounded to the nearest whole dollar.
- Data Source – Amounts are extracted from the daily data feed to Business Enterprise Information System (BEIS) for those that submit this data. All others will submit manually to [joseph.doyle@osd.mil](mailto:joseph.doyle@osd.mil) or [matt.lorelli@osd.mil](mailto:matt.lorelli@osd.mil).

#### Total Gross Outlays

- Definition – Total Gross Outlays (Disbursements) - Actual dollar amount rounded to the nearest whole dollar.
- Data Source – Amounts are extracted from the daily data feed to BEIS for those that submit this data. All others will submit manually to [joseph.doyle@osd.mil](mailto:joseph.doyle@osd.mil) or [matt.lorelli@osd.mil](mailto:matt.lorelli@osd.mil).

#### Major Completed Actions

- Definition – Short description of the major actions taken in the past week.
- Data Source – Activities information should be submitted to [joseph.doyle@osd.mil](mailto:joseph.doyle@osd.mil) or [matt.lorelli@osd.mil](mailto:matt.lorelli@osd.mil) by Noon Monday.

#### Major Planned Actions

- Definition – Short description of the major planned actions.
- Data Source – Activities should submit information to [joseph.doyle@osd.mil](mailto:joseph.doyle@osd.mil) or [matt.lorelli@osd.mil](mailto:matt.lorelli@osd.mil) by Noon Monday.

#### Supporting Documentation

- Supporting documentation is required for all Recovery Act reporting submissions to insure audit readiness. Services and Defense Agencies should be prepared for periodic review or audit.

## 2. FUNDING NOTIFICATION REPORTS

- Requirement Source: OMB Memo (M-09-15), “Updated Implementing Guidance for the American Recovery and Reinvestment Act of 2009”, Section 2.3.
- Frequency: The report is submitted to Recovery.Gov weekly with the first report having been submitted on April 21, 2009. No end user inputs required.
- Purpose: This report uses an Excel template provided by OMB on *Defense Link/Recovery* web-page and presently is e-mailed to Recovery.Gov. The report satisfies the requirement to provide information on the funding notifications made for all award types. DoD will use the information provided in its Expenditure Plans submitted on March 20, 2009 and April 29, 2009 as the basis of the submission by project.

Funding Notification Version 1.3												
Agency Name: <b>Department of Defense</b>												
Week End Date:												
Submitter Name:												
Submitter Contact Info:												
Funding Notification Amount	Funding Notification - Face Value	Award Type	CFDA Program Number	CFDA Program Title	Program Description	US Indicator	Place of Performance County	Place of Performance State	Place of Performance Zip Code	Place of Performance Congressional District	Program Source / Treasury Account Symbol: Account Code	Program Source / Treasury Account Symbol: Sub - Account Code (Optional)

**The reporting requirements are as follows:**

Agency Name

- Department of Defense

Submission Date

- Definition: Date of the Friday at the end of the week being reported.
- Data Source: System Generated

Funding Notification Amount

- Definition: Planned cost of each project.
- Data Source: Department of Defense Expenditure Plan

Award Type

- Definition: Definition - This report should include all award types including formula grants, block grants, discretionary grants, cooperative agreements, loans (direct and guaranteed), contracts and orders (and modifications when applicable), or other (e.g., Salaries & Expenses, Travel, One-time payments). These types should include both competitive and non-competitive awards. Please note that "Award Type" is required for all reported data.
- Data Source: Each award is classified as a contract unless identified as Other or Grant by project.

Program Description

- Definition: Project title.
- Data Source: Department of Defense Expenditure Plan.

US Indicator

- Definition: Either Y or N depending on place of performance.
- Data Source: Derived from Department of Defense Expenditure Plan place of performance state.

Place of Performance State

- Definition: State that the project will be preformed in.
- Data Source: Department of Defense Expenditure Plan

Place of Performance Congressional District

- Definition: Congressional District of the project.
- Data Source: Supplemental information to the Expenditure Plans information provided by ODUSD(I&E).

Program Source/Treasury Account Symbol Account Code

- Definition: TAF of the Project.
- Data Source: Department of Defense Expenditure Plan
- All other data elements are currently left blank.

3. MAJOR COMMUNICATIONS

- Source: OMB Memo (M-09-15), “Updated Implementing Guidance for the American Recovery and Reinvestment Act of 2009 April 3, 2009”, Section , 2.2
- Frequency: Immediately; ongoing
- Procedures: In order to support the objectives in the Recovery Act, all Federal agencies receiving Recovery Act funds should provide major communications that are appropriate for posting to the “Announcements” section of Recovery.gov. Items should be of interest to a broad cross section of the American public, and focus on Presidential priorities and programs with a major impact. These communication materials should be cleared by the DoD Recovery Act Senior Accountable Official through OSD(Public Affairs) to ensure that the Department is in compliance with the 24 hour White House notification of press announcements.

In addition, agencies should make known any major press events or videos produced for the implementation of the Recovery Act. Specific transmission instructions are in the OMB guidance related to the Recovery Act. Recovery.gov will feature videos which highlight both major actions being taken by the Federal government as well as the impact the Recovery Act is having on the American people.

Information is submitted to Recovery.gov through an Excel template provided by OMB. All data is provided by fund holders through the Public Affairs offices.

**The reporting data requirements for each field are as follows:**

Title

- Definition – Clear heading of article or video

Link to Communications Item

- Definition – URL of the article or video

Type of Major Communication

- Definition – Press Release, Video, Press Event, Other

Overview of Main Communications Point

- Definition – Short (no more than 5 sentences) overview of the main communications points

Date and Time of Communication

- Definition – Date and time of communication in MMDDYYYY HH:MM format

### Additional Tags

- Definition – Additional citizen friendly tags that can be used on Recovery.gov to help present the news items.

### Supporting Documentation

- Supporting documentation is required for all Recovery Act reporting submissions to insure audit readiness. Services and Defense Agencies should be prepared for periodic review or audit.

## 4. REGISTERED LOBBYIST COMMUNICATIONS

On March 20, 2009, President Obama issued an Executive Branch-wide Memorandum entitled, “Ensuring Responsible Spending of Recovery Act Funds.” Section 3 of the President’s Memorandum mandates interim specific protocols for oral communications with registered lobbyists. The purpose of the President’s Memorandum is to promote transparency in communications with federally registered lobbyists and facilitate Federal agencies’ merit-based decision-making in awarding Recovery Act Funds.

On May 6, 2009, the Office of the Under Secretary of Defense (Comptroller) issued a memorandum entitled “Interim Instructions Regarding Communications with Registered Lobbyists Concerning Recovery Act Funds by Department of Defense Employees.” This memorandum defines the procedures employees must take in reporting contacts with registered lobbyists and may be found on the Department’s Recovery Act web-page, <http://www.defenselink.mil/recovery>.

## 5. PROJECT COST VARIATIONS DURING EXECUTION OF AMERICAN RECOVERY AND REINVESTMENT ACT EXPENDITURE PLANS

For project cost variances, the procedures are defined in the OUSD(C) memorandum of May 7, 2009, Subject: “Project Cost Variations during Execution of American Recovery and Reinvestment Act Expenditure Plans.” (Appendix 1)

## 6. RISK MANAGEMENT

The Office of the Under Secretary of Defense (Comptroller) is coordinating the development and execution of the Department’s risk management plan for ARRA funds. As noted in the OMB ARRA Guidance, “*Agencies must immediately review the risk framework provided in Chapter 3 of the Guidance to assess, capture and report against the common government-wide accountability measures, identify any agency-specific risks not provided for in Chapter 3, prioritize risk areas, and initiate risk mitigation strategies.*” According to the OMB Circular No. A-123 and the *Updated Implementing*

*Guidance for the American Recovery and Reinvestment Act of 2009, dated April 3, 2009,* the Department will leverage the existing Managers' Internal Control Program and the Senior Assessment Teams for oversight and implementation of a risk management approach.

To meet these requirements OUSD(C) issued a memorandum on April 29, 2009, entitled "Subject: Risk Management for American Recovery and Reinvestment Act (ARRA)." (Appendix 2)

## 7. MONTHLY SPENDING PLANS

As a requirement of collecting information for the creation of the Agency Wide Recovery Act plan (OMB M-09-15, Section 2.7 and Appendix 3) an obligation and outlay plan was required at the project level. To provide standard data for all Department reports, the Obligation Phasing Plan collected for the Agency Wide and Program Plans previously submitted to OMB and Congress will be used to update the Comptroller's Executive Dashboard (ED) application. Additional information will be collected as required through existing sources.

## 8. ORDER OF PREFERENCE FOR FUNDS EXECUTION

The reporting requirements for the monthly report as prescribed in OMB Memorandum M-09-15, provides a set of requirements for information traceability which are expected to be met by the activities receiving the Recovery Act funds. This traceability includes the matching of performing vendor and place of performance at the document level to the Recovery Act TAFS which funded it. This type of reporting is not available from current accounting systems when executing funds through a reimbursable agreement in which a contract is let or other obligation of funds by the performing activity with its own TAFS applied.

In order to collect the greatest amount of execution data, at the proper level, and with the greatest amount of financial information, as well as through the most timely and automated method, a preferred order of execution of funds has been established for Recovery Act funds.

- Fund holder **executes on own behalf**. Fund holder receives appropriation and executes the funds themselves. This could include labor, materials and contracts.
  - Contracts – All contracts cite the fund holder accounting information
  - Accounting - All accounting is performed in fund holder's financial systems.
  - Reporting - fund holder will provide daily and monthly financial data to BEIS to allow for reporting of monthly execution data via SF-133 and 1002 and Recovery Act Reporting as required by OMB.

- Data Identification - fund holder would be responsible for identifying which accounting systems will be used, project numbers, and data elements the project number is to be posted to.
- Fund holder **FADS funds to 2<sup>nd</sup> performing activity** who executes the funds. Fund holder receives appropriation and then processes a Funds Allocation Document (FAD) to transfer the funds to a second activity to execute the funds as their own. For example, an activity receives an appropriation to build an office but the organization is not a construction organization. The organization would FAD the funds to an organization like USACE that is able to execute the funds as required. USACE would then execute the funds, as if they are their own using the appropriation provided. For USACE this could include labor, materials and contracts.
  - Contracts – Recovery Act Appropriation is cited on all contracts and the FAD holder financial data is cited.
  - Accounting - All accounting is performed in FAD holder’s financial systems.
  - Reporting - FAD holder will provide daily and monthly financial data to BEIS to allow for reporting of monthly execution data via SF-133 and 1002 and Recovery Act Reporting as required by OMB.
  - Data Identification - FAD holder would be responsible for identifying which accounting systems will be used, project numbers, and data elements the project number is to be posted to.
- Fund holder enters into a **direct cite relationship with 2<sup>nd</sup> activity**. Fund holder receives appropriation. Fund holder processes a MIPR with a 2<sup>nd</sup> activity to perform contracting services on the fund holder’s behalf. For example, the fund holder requires roofing materials for the day care center but cannot enter into this type of a contract. The fund holder will send a MIPR to a second organization to have them do the contract with the company that can provide the roofing materials.
  - Contracts – Recovery Act appropriation is cited on all contracts and the fund holder financial data is cited.
  - Accounting - All accounting is performed in fund holder’s financial systems.
  - Reporting - fund holder will provide daily and monthly financial data to BEIS to allow for reporting of monthly execution data via SF-133 and 1002 and Recovery Act reporting as required by OMB.
  - Data Identification - fund holder would be responsible for identifying which accounting systems will be used, project numbers, and data elements the project number is to be posted to.
- Fund holder enters into **reimbursable relationship with 2<sup>nd</sup> activity**. Fund holder receives appropriation. Fund holder processes a MIPR with a 2<sup>nd</sup> activity to perform directed services on the fund holder’s behalf. For example, the fund holder requires

roofing materials for the day care center but cannot enter into this type of a contract and has the second organization perform contracting services for them. The services performed to get the fund holder a contract can be performed on a reimbursable basis even though the contract is a direct cite contract.

- Contracts – No contracts are written using reimbursable agreements with Recovery Act funds.
- Accounting - All Recovery Act fund accounting is performed in fund holder's financial systems. The performer will account for and bill the fund holder in their system.
- Reporting - fund holder will provide daily and monthly financial data to BEIS to allow for reporting of monthly execution data via SF-133 and 1002 and Recovery Act reporting as required by OMB.
- Data Identification - fund holder would be responsible for identifying which accounting systems will be used, project numbers, and data elements the project number is to be posted to.

Use of reimbursable agreements with Recovery Act funds should be limited based on the following and **OUSD(C) notification is required if this option is used:**

- Reimbursable relationships should not include contracts or other 3<sup>rd</sup> party arrangements where the performing activity receives a reimbursable order from a Recovery Act TAFS Fund Holder, then uses its own, non-Recovery Act TAFS on a contract, and then bills the Fund Holder of the Recovery Act TAFS for the performance of the contract
- Reimbursable agreements may be used where the performing activity receives a reimbursable order to perform services directly in support of the Recovery Act TAFS Fund Holder and will bill the Recovery Act TAFS Fund Holder for only these services. This may include but not be limited to the cost of contract writing services provided to secure a Direct Cite contract.

Activities using and receiving **reimbursable orders** will be subject to additional manual reporting requirements, since most of the information required by OMB will not automatically be captured through the automated Recovery Act TAFS tracking system. In addition, these activities may be subject to additional requirements from OMB as a reimbursable performer with Recovery Act funds.

## 9. SYSTEMS CODING STRUCTURES

The need to report data to multiple entities both within and outside of the Department has created the need to be able to define data as it is used in the budget execution process and to be able to extract the data in the formats being defined. Key elements of this process will be the Treasury Account Funds Symbol for the Recovery Act appropriations, Project

Codes assigned to each project and the Categories which will be used to group and summarize projects for reporting.

- Treasury Account Funds Symbol. Funding has been provided to the Department in 27 appropriations found next. The appropriation symbol should be included on each transaction of the financial system and in the data provided to the BEIS.

Appropriation	Title
21 2022 2009/2010	Operations and Maintenance, Army – RA
17 1805 2009/2010	Operations and Maintenance, Navy – RA
17 1116 2009/2010	Operations and Maintenance, Marine Corps – RA
57 3404 2009/2010	Operations and Maintenance, Air Force – RA
97 0112 2009/2010	Office of the Inspector General – RA
21 2081 2009/2010	Operations and Maintenance, Army Reserve– RA
17 1807 2009/2010	Operations and Maintenance, Navy Reserve – RA
17 1117 2009/2010	Operations and Maintenance, Marine Corps Reserve – RA
57 3744 2009/2010	Operations and Maintenance, Air Force Reserve – RA
21 2066 2009/2010	Operations and Maintenance, Army National Guard– RA
57 3844 2009/2010	Operations and Maintenance, Air National Guard – RA
97 0150 2009/2010	Operations and Maintenance, Defense Health Program – RA
21 2041 2009/2010	Research, Development, Test and Evaluation, Army – RA
17 1320 2009/2010	Research, Development, Test and Evaluation, Navy – RA
57 3605 2009/2010	Research, Development, Test and Evaluation, Air Force – RA
97 0401 2009/2010	Research, Development, Test and Evaluation, Def. Wide RA
21 2051 2009/2013	Military Construction, Army - RA
17 1206 2009/2013	Military Construction, Navy - RA
57 3307 2009/2013	Military Construction, Air Force - RA
97 0501 2009/2013	Military Construction, Defense Wide - RA
21 2094 2009/2013	Military Construction, Army National Guard- RA
57 3834 2009/2013	Military Construction, Air National Guard - RA
21 0721 2009/2013	Family Housing Construction, Army – RA
21 0726 2009/2010	Family Housing Operations and Maintenance, Army - RA
57 0721 2009/2013	Family Housing Construction, Air Force – RA
57 0748 2009/2010	Family Housing Operations and Maintenance, Air Force - RA
97 4091 X	Homeowners Assistance Fund

- Project Categories / Bins. A requirement has been identified to be able to group projects into categories or bins for data segmentation and summarization. There is an established relationship of each project being assigned to only one bin. Because of this relationship the bin will be system generated from project level data collected. The bin code may be used in financial systems but is not required for reporting. The bins / categories for the Military Construction (MILCON) and Operations and Maintenance appropriations are listed below.

- MILCON Bins:
  - A - Child Development Centers
  - B - Warier in Transition Complexes (Army Only)
  - C - Sailor and Marine Housing (Navy Only)
  - D - Airmen Housing (AF Only)
  - E - Energy Conservation and Alternative Energy Projects
  - F - Military Construction, Air National Guard
  - G - Military Construction, Army National Guard
  - H - Hospitals (TMA)
  - K - Family Housing, Construction
  
- O&M/FSRM Bins:
  - O - Operations
  - E - Energy
  - U - Utilities
  - P - Pavements/roads/grounds
  - B - Barracks
  - M - Medical
  - R - Roofs
  - Q - Quality of Life
  - F - Family Housing, O&M (Appropriations)
  
- Project Code. Each identified project is required to have a unique code assigned to it for each appropriation. So code values may be the same for Air Force and Army but would be differentiated by the appropriation symbol. Because accounting structures are unique in many systems being used and by appropriation type, the actual codes which will be associated with each program is to be assigned by the fund holder. In order for this data to be useful information, each fund holder is required to notify OUSD(C) Business Integration Office of accounting system being used, the data element the code will be found in and the code actually associated with each program. The program code may be entered into the field provided in the spend/phase plan or may be submitted in a separate document.