

ARRA Quarterly Reporting Correction Period Guidance



**TEA GUIDANCE ON HOW TO MAKE
CORRECTIONS TO FTES REPORTED FOR THE
QUARTER 10/1/09 – 12/31/09**

Agenda



- Reporting Correction Guidance
 - Timeline
 - Guidance on Jobs Created/Retained Released 12/18/09
- Reporting Demonstration
- Questions and Answers

TEA Grantees – ARRA Quarterly Reporting



- ARRA Title I, Part A
- ARRA Title I, Part D, Subpart 2
- ARRA Title I, School Improvement Grant
- ARRA Title I, SIP Academy
- ARRA Title II, Part D Education Technology
- ARRA IDEA-B Formula
- ARRA IDEA-B Preschool
- ARRA State Fiscal Stabilization Fund
- ARRA McKinney Vento Homeless

New FTE Guidance – ARRA Quarterly Reporting



- TEA Guidance on ARRA Section 1512 Quarterly Reporting at:

<http://ritter.tea.state.tx.us/edex/docs/1512QuarterlyReportingv3.pdf>

- New Guidance Released by OMB on 12/18/09 Included.

Timeline – ARRA Quarterly Reporting Corrections



- TEA opened the ER system on **2/2/10** for LEAs to correct FTEs reported for the quarter 10/1/09 – 12/31/10.
- TEA will keep the system open until **5:00PM CST on 2/28/10**.
- ***Only LEAs who were not able to report the correct number of FTEs under the new OMB guidance must update their report***

Jobs Created/Retained



New changes from OMB on 12/18/09:

- **Jobs created and retained has been redefined;**
- **Calculation of jobs created and retained is now quarterly rather than cumulatively.**

Jobs Created/Retained



For purposes of ARRA quarterly reporting:

- A job created is a new position created and filled, or an existing unfilled position that is filled, that is **funded** by the Recovery Act;
- A job retained is an existing position that is now **funded** by the Recovery Act.
- Wages or salaries are either **paid for or will be reimbursed** with Recovery Act funding.

Jobs Created/Retained



- **Jobs funded partially with Recovery Act funds will only be counted based on the proportion funded by the Recovery Act.**
- **In cases where accounting systems track the billing of workers' hours to Recovery Act and non-Recovery Act accounts, recipients may simply count the number of hours funded by the Recovery Act and divide by the number of hours in a full-time schedule.**

Jobs Created/Retained



- Recipients expected to report job impact on vendors
- **For example, City Library receives a \$10 million Recovery Act-funded grant to develop a youth summer reading program. Assume the library uses \$1 million to administer the program, including the hiring of five FTE, and distributes nine \$1 million grants to area nonprofits focused on reading and education. In this case, City Library will report the direct job creation of the 5 FTE, and it would also provide an estimate of the total employment impact of the nine \$1 million grants.**

Jobs Created/Retained



- This guidance does not establish specific requirements for documentation or other written proof to support reported estimates on jobs created or retained; however, recipients should be prepared to justify their estimates. Recipients must use reasonable judgment in determining how best to estimate the job impact of Recovery dollars, including the appropriate sources of information used to generate such estimate. Where such written evidence exists, it can be an important resource for validating the job estimates reported.

FTE - Jobs Created/Retained



- The FTE estimates must be reported ~~cumulatively~~ **quarterly** each calendar quarter across the lifecycle of the grant award ~~and they will not reset at the beginning of each quarter or calendar or fiscal year.~~
- In calculating the cumulative FTE for each quarter, the denominator must include the total number of hours that would have been worked in a full-time schedule ~~since the start date of the award~~ **during the applicable quarter.**

Calculating FTE – Jobs Created/Retained



Old FTE Calculation Guidance:

$$\frac{\text{Cumulative Recovery Act Funded Hours Worked (Qtr 1...n)}}{\text{Cumulative Hours in a Full-time Schedule (Qtr 1...n)}} = \text{FTE}$$

Period	3rd qtr	4th qtr	1st qtr	2nd qtr	3rd qtr	4th qtr
Full-Time Schedule	520	1040	1560	2080	2600	3120
Full Time Employee 1	520	1040	1560	2080	2600	3120
Full Time Employee 2	520	1040	1560	2080	2600	3120
Part Time Employee (half time)	260	520	780	1040	1300	1560
Temporary Employee (650 hrs.)	0	0	130	390	650	650
Total Hours Worked	1300	2600	4030	5590	7150	8450
Quarterly FTE	2.50	2.50	2.58	2.69	2.75	2.71

Calculating FTE – Jobs Created/Retained



New FTE Calculation Guidance:

$$\frac{\text{Total Number of Hours Worked and Funded by Recovery Act within Reporting Quarter}}{\text{Quarterly Hours in a Full-Time Schedule}} = \text{FTE}$$

Period	3rd qtr	4th qtr	1st qtr	2nd qtr	3rd qtr	4th qtr
Full-Time Schedule (Denominator)	520	520	520	520	520	520
Full Time Employee 1	520	520	520	260	130	130
Full Time Employee 2	520	520	260	260	130	130
Part Time Employee (half time)	260	260	260	260	130	130
Temporary Employee (390 hrs)	0	0	130	130	130	0
Total Hours Worked (Numerator)	1,300	1,300	1,170	910	520	390
Quarterly FTE Reported	2.50	2.50	2.25	1.75	1.0	0.75

Jobs Created/Retained



Reporting period quarters are defined as:

- **Quarter 1: Jan 1 – Mar 31**
- **Quarter 2: Apr 1 – Jun 30**
- **Quarter 3: Jul 1 – Sep 30**
- **Quarter 4: Oct 1 – Dec 31**

TEA Quarterly Reporting Guidance



- TEA Quarterly Reporting Guidance Document will be posted at www.tea.state.tx.us/arrastimulus
- Guidance Document contains detailed explanations and more examples, including:
 - Assistance agreements that must comply with OMB Circular A-21
 - Various example of full-time, part-time, contractor, split-funded, and “definite term v. indefinite term” employees

Jobs Created/Retained



- If the workers are hired for a definite term, with a plan to pay a portion of their wages and salaries with Recovery Act funds:
- For example, suppose that a recipient school district plans to use a combination of Recovery Act funds and non-Recovery Act funds to hire 100 new, full time teachers for the school year, with half of the funds coming from the Recovery Act.
- Then the recipient should: 1) count all the hours worked by the teachers in the current reporting quarter (5,200); 2) divide that number into the number of hours in a full time schedule for a quarter (520), yielding a total of 100 FTEs; and 3) multiply this number by the 17 percentage of the project funded by the Recovery Act (50%).

Jobs Created/Retained



- Thus, the district reports 50 FTEs in each quarter. The reporting is the same if the Recovery Act funds are drawn down evenly across the four quarters of the year or if Recovery Act funds are used exclusively for the first half of the year and non-Recovery Act funds are used for the second half.
- The key factor is the share of the overall project funded by the Recovery Act.