Charles Drew University of Medicine and Science
The Office of Grants, Contracts, and Compliance

AMERICAN RECOVERY & REINVESTMENT ACT (ARRA)

An Overview as of February 28, 2009
MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Transparency and Open Government

My Administration is committed to creating an unprecedented level of openness in Government…

Government should be transparent…
Government should be participatory…
Government should be collaborative…

Barack Obama
The **American Recovery Reinvestment Act (ARRA)** is now fully enacted. Institutions of higher education nationwide, including CDU, are being asked to contribute our expertise and strong record of success in research and education to help stimulate the economy with an infusion of an unprecedented level of funding.
American Recovery & Reinvestment Act

- How these funds will be disbursed from the agencies is yet to be determined. Detailed implementation plans are required from each agency by May 1, 2009. Information below is forthcoming from the agency releases regarding their implementation plans to date.
On February 18th the Office of Management and Budget (OMB) issued initial guidance to the federal agencies on spending the economic recovery funds - http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-10.pdf

NIH and NSF have issued general statements about their plans to use the funds they will receive under the Economic Recovery Act. However, all of the agencies' plans will need to be reviewed and approved by OMB.
Among provisions of interest in the OMB document are those relating to the allocation of grants and cooperative agreements and the extensive new reporting requirements for entities that accept Recovery Act funds. OMB will work with agency officials to minimize reporting burdens as much as possible, given the requirements of the Act.
Many types of funding mechanisms will be supported, but, in general, NIH will focus scientific activities in several areas:

- We will choose among recently peer reviewed, highly meritorious R01 and similar mechanisms capable of making significant advances with a two-year grant. R01 are projects proposed directly from scientists across the country. We will also fund new R01 applications that have a reasonable expectation of making progress in a two-year grant.
NIH’s Role in ARRA (cont.)
(Statement from Dr. Raynard Kington, Acting Director NIH)

- We will accelerate the tempo of ongoing science through targeted supplements to current grants. For example, we may competitively expand the scope of current research awards or supplement an existing award with additional support for infrastructure (e.g., equipment) that will be used in the two-year availability of these funds.
NIH’s Role in ARRA (cont.)
(Statement from Dr. Raynard Kington, Acting Director NIH)

- NIH anticipates supporting new types of activities that fit into the structure of the Recovery Act. It will support a reasonable number of awards to jump start the new NIH Challenge Grant program. This program is designed to focus on health and science problems where progress can be expected in two years. The number of awards and amount of funds will be determined, based on the scientific merit and the quality of applications.
- NIH will also use other funding mechanisms, as appropriate.

http://www.nih.gov/about/director/02252009statement_arra.htm
Guidance on Grants and Cooperative Agreements

Page 32 of the OMB guidance addresses grants and cooperative agreements, noting that although the Recovery Act calls on agencies to spend the funding as quickly as possible, "this statement, by itself, does not constitute a sufficient justification to support award of a federal grant on a non-competitive basis."
Guidance on Grants and Cooperative Agreements (cont.)

- Agencies are expected "to follow the same laws, principles, procedures, and practices in awarding discretionary grants with Recovery Act funds as they do with other funds," and to promote competition "to the maximum extent practicable." It adds, "Agencies may want to consider the appropriateness of limited competitions among existing high-performing projects versus full and open competitions and formula allocations."
Significant New Reporting Requirements

- Beginning on page 14, OMB describes the detailed reporting requirements for recipients of economic recovery funds.
- "As required by Section 1512 of the Recovery Act and this guidance, each recipient, as described above, is required to report the following information to the Federal agency providing the award 10 days after the end of each calendar quarter, starting on July 10th."
These reports will include the following data elements, as prescribed by the Recovery Act:

1. The total amount of recovery funds received from that agency;
2. The amount of recovery funds received that were obligated and expended to projects or activities. This reporting will also include unobligated allotment balances to facilitate reconciliations.
Significant New Reporting Requirements (cont.)

3. A detailed list of all projects or activities for which recovery funds were obligated and expended including:
   a. The name of the project or activity;
   b. A description of the project or activity;
   c. An evaluation of the completion status of the project or activity;
   d. An estimate of the number of jobs created and the number of jobs retained by the project or activity; and
   e. For infrastructure investments made by State and local governments, the purpose, total cost, and rationale of the agency for funding the infrastructure investment with funds made available under this Act, and name of the person to contact at the agency if there are concerns with the infrastructure investment.
4. Detailed information on any subcontracts or subgrants awarded by the recipient to include the data elements required to comply with the Federal Funding Accountability and Transparency Act of 2006 (P.L. 109-282), allowing aggregate reporting on awards below $25,000 or to individuals, as prescribed by the Director of OMB.

The final guidance issued by OMB for the Recovery Act will lay out in more detail specific reporting instructions and how the data collection for this reporting will work government-wide.
Reference

- Research Recovery
  - [http://www.recovery.gov/](http://www.recovery.gov/)
- Office of Management and Budget
  - [http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-10.pdf](http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-10.pdf)
- American Recovery & Reinvestment Act 2009
  - [http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_bills&docid=f:h1enr.pdf](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_bills&docid=f:h1enr.pdf)
- Speaker Pelosi
- American Association for the Advancement of Science Update on the 2009 Stimulus Bill
  - [http://www.aaas.org/spp/rd/stim09c.htm](http://www.aaas.org/spp/rd/stim09c.htm)
- NIH’s Role in ARRA
  - [http://www.nih.gov/about/director/02252009statement_arra.htm](http://www.nih.gov/about/director/02252009statement_arra.htm)
Questions?