

MAXIMUS



ARRA Administrative Costs Chris M. Zitzow, MAXIMUS

Presentation to VGFOA Representatives
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Objective and Topics

- **ARRA Transparency and Accountability Requirements and What It Means To You**
- **Overview of OMB M-09-18 Requirements**
- **Cost Allocation Planning**
- **State of Texas ARRA Project**



- **ARRA Program and Risk Management**
 - **Reporting Requirements**
 - **Administrative Costs Claiming**
 - **Cost Allocation Planning**
 - **Timesheets and Accountability**
 - **Reporting/Tracking Program Costs**



Reporting Requirements

- **Establish central agency contact.**
- **Centralized hub for tracking and monitoring ARRA deadlines.**
- **Establish databases that includes key pieces of data regarding ARRA funding source, requirements, amounts of funding available, and specific reporting requirements.**
- **Establish ARRA Policy Support Team to determine the impact of ARRA and making informed decisions.**
- **Separate ARRA Funds.**
- **Set aside funds for compliance audits.**



Administrative Costs

- **OMB M-09-18- Payments to State Grantees for Administrative Costs of Recovery Act Activities.**
- **Compliant with Circular A-87.**
- **Maintain Timesheets for Admin Costs Claiming.**
- **Identify Separate Fund for ARRA Expenditures.**
- **Establish Indirect Cost Rates for Agencies.**



Cost Allocation Planning

- **Prepare Cost Allocation Plan that accounts for ARRA funds.**
- **Establish Procedures/Policies for Direct Charging to ARRA grants.**
- **Identify ARRA as a Grantee in your CAP**
- **Compute Indirect Cost Rates for Local Agencies**
- **Keep Timesheets if not 100% ARRA dedicated**
- **Keep good records- you will audited**



Timesheets and Accountability

- **Track time for all administrative time charged to the ARRA funds.**
- **Direct charge as much ARRA specific/allowable costs as possible.**
- **Hidden Costs: web site design, compliance audits, ARRA program management offices, finance dept oversight.**



TEXAS ARRA PROJECT

- **Central ARRA Calendar** – This tool will serve as an internal repository and reporting mechanism for key dates associated with ARRA..
- **ARRA Funding Database** – This tool will consist of a database which will include key pieces of data regarding each ARRA funding source, including a brief description of the requirements, amounts of funding available, and specific reporting requirements.
- **ARRA Policy Support** – As ARRA rules and policies are issued, MAXIMUS will provide analysis, reports, and updates identifying key issues, changes, and recommendations.
- **GAO Audit Support** – In addition to the policy support described above, MAXIMUS plays a key role in helping the state respond to GAO audit reports.