

Federal Funding Accountability and Transparency Act (FFATA)

Indiana State Board of Accounts
Virtual Training Session

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*What is the
FFATA
reporting
requirement?*

Under 2 CFR Part 170,

Grant recipients are required to report first-tier
subawards of \$30,000*

or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS).

***HHS Threshold = \$25,000**

The notice of funding opportunity, regulation, or other issuance must require each non-Federal entity that applies for Federal financial assistance to have the necessary processes and systems in place to comply with the reporting requirements should they receive Federal funding.



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Why is it important?

- Information publicly available at www.usaspending.gov/search
- 2 CFR 170 - Federal Compliance Requirement
- Material noncompliance or failure to establish effective internal controls to prevent or detect material noncompliance could result in the loss of federal funds.
- Federal Audit Expectations
 - OMB Compliance Supplement Matrix – Part 2
 - OMB Compliance Supplement – Part 3 – Reporting



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What is included in the report?

1. The following data about sub-awards
 - a. Name of entity receiving award
 - b. Amount of award
 - c. Funding agency
 - d. ALN program number for grants
 - e. Program source
 - f. Award title descriptive of the purpose of the funding action
 - g. Location of the entity (including congressional district)
 - h. Place of performance (including congressional district)
 - i. Unique identifier of the entity and its parent; and
 - j. Total compensation and names of top five executives
2. The Total Compensation and Names of the top five executives if:
 - a. More than 80% of annual gross revenues from the Federal government, and those revenues are greater than \$25M annually and
 - b. Compensation information is not already available through reporting to the SEC.



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When is the report due?

For subaward information, report no later than the end of the month following the month in which the obligation was made (or amended/modified).

For example, if the obligation was made on November 7, 2021, the obligation must be reported by no later than December 31, 2021.



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Where do I file the report?

- www.FSRS.gov
- Must have a login.gov account
- Must have Unique Entity ID from SAM.gov (as of April 4, 2022)



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How is this requirement audited?

Audited per the OMB Compliance Supplement
See Matrix in Part 2

Audit Procedures are detailed in the OMB
Compliance Supplement
See Part 3 section L

OMB Compliance Supplement:
https://www.whitehouse.gov/wp-content/uploads/2022/05/2022-Compliance-Supplement_PDF_Rev_05.11.22.pdf

SBOA State Agency Advisory Services
Training Video – Compliance Supplement

<https://www.in.gov/sboa/political-subdivisions/state-agencies/>

under Presentations and Training Materials



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Audit Procedures

Source: OMB Compliance Supplement Part 3

Internal Controls

Perform procedures to obtain an understanding of internal controls sufficient to plan the audit...

Plan the testing of internal controls...

Consider the results of the testing of internal control...determining the nature, timing, and extent of testing.



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Audit Procedures

Source: OMB Compliance Supplement Part 3

Tests of Compliance

- (1) Gain an understanding of the recipient's methodology used to identify which, if any, awards were subject to the Transparency Act...
- (2) Select a sample of first-tier subawards.
 - Subaward agreements*
 - Subaward Amendments or Modifications*



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Audit Procedures

Source: OMB Compliance Supplement Part 3

If the subaward was subject to reporting under the Transparency Act:

- Find the award in FSRS.
- Compare the award information to the subaward documents.
- Trace reported data elements to supporting documentation and test mathematical accuracy.



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Audit Procedures

What is SBOA looking for when comparing the award information to the subaward documents?

- (i) applicable subaward obligations/modifications have been reported,
- (ii) the key data elements were accurately reported and are supported by the source documentation, and
- (iii) the action was reported in FSRS no later than the last day of the month following the month in which the subaward/subaward amendment obligation was made or the subcontract award modification was made.

Source: OMB Compliance Supplement Part 3



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Audit Procedures

What are the key data elements?

Subaward Data Element	Definition
Subawardee Name	This is the Sub-Awardee's Name
Subawardee DUNS #	The subawardee organization's nine-digit Data Universal Numbering System (DUNS) number.
Amount of Subaward	The net dollar amount of federal funds awarded to the subawardee including modifications.
Subaward Obligation/Action Date	Date the subaward agreement was signed.
Date of Report Submission	Date the recipient entered the action/obligation into FSRS.
Subaward Number	Subaward number or other identifying number assigned by the prime awardee organization to facilitate the tracking of its subawards.
Subaward Project Description	Describes the subaward project.
Subawardee Names and Compensation of Highly Compensated Officers	Names of officers if thresholds are met.

Source: OMB Compliance Supplement Part 3



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Audit Procedures

Source: OMB Compliance Supplement Part 3

What areas of noncompliance are reported?

- (i) The non-federal entity did not report the subaward information
- (ii) The non-federal entity did not report the subaward information timely
- (iii) The non-federal entity reported incorrect amount
- (iv) The non-federal entity did not report all the key data elements



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What are the most common audit issues?

Internal Controls

Written Procedures

Tangible Evidence Procedures were Performed

Noncompliance

Reports were not filed or not filed timely

Reports did not include all subawards from the previous month

Reports did not include subaward amendments from the previous month

Grant information was not correct

Supporting documentation was not available for audit



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What do we need for audit purposes?



Written Internal Controls

Keep tangible evidence that controls were performed



FFATA Report & Supporting Documentation

Maintain supporting documentation for information submitted

Save documentation of report submission date



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Helpful Resources

- www.fsr.gov
- FSRS Awardee User Guide:
https://www.fsr.gov/documents/FSRS_Awardee_User_Guide.pdf
- FFATA Sub-award Reporting System Demonstration:
https://www.fsr.gov/documents/FSRS_Awardee_User_Demonstration.mp4
- Federal Service Desk:
https://www.fsd.gov/gsafsd_sp

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Contact Information

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