

American Recovery and Reinvestment Act

- The American Recovery and Reinvestment Act (ARRA) was signed by the President in February 2009.
- The bill included \$787 billion to stabilize State budgets, stimulate economic development (jobs, innovation, infrastructure), and promote energy efficiency.
- An estimated \$280 billion of ARRA monies are expected to be awarded directly to State governments through the various Federal agencies.
- The Federal government has established five goals for ARRA implementation:
 - Funds are both awarded and distributed in a prompt, fair, and reasonable manner
 - Agencies clearly and accurately report the recipients and uses of all funds in a timely manner. This reporting will allow the use and benefit of funds to be transparent to the general public.
 - Funds are used solely for authorized purposes and any instances of fraud, waste, abuse, or error are properly mitigated.
 - Any projects funded under the ARRA avoid both delays and cost overruns.
 - Program goals are achieved, including specific program outcomes and improved economic conditions.
- ARRA funding represents a significant one-time infusion of cash for states to be spent over three fiscal years (FY09, FY10, FY11) and will have an unprecedented level of Federal oversight and scrutiny.

Overview of 1512 Reporting

Background

- Section 1512 of the American Recovery and Reinvestment Act increases federal reporting requirements to enhance accountability and transparency.
- Not all ARRA programs are required to submit 1512 jobs data. For example, FMAP (Medicaid) and Unemployment Insurance do not submit 1512 reports.

Responsibility

- Georgia is using a decentralized approach to 1512 reporting. Therefore, State Agencies receiving ARRA funds (Prime Agencies) are responsible for submitting the 1512 reports. About half of the States use a decentralized approach.
- Local governments, non-profits, and businesses submit reports independent of State government and are not included in our processes or summaries.
- For the last several months, State agencies worked to ensure accounting systems and reporting systems with sub-recipients produce data that is timely, complete and accurate.

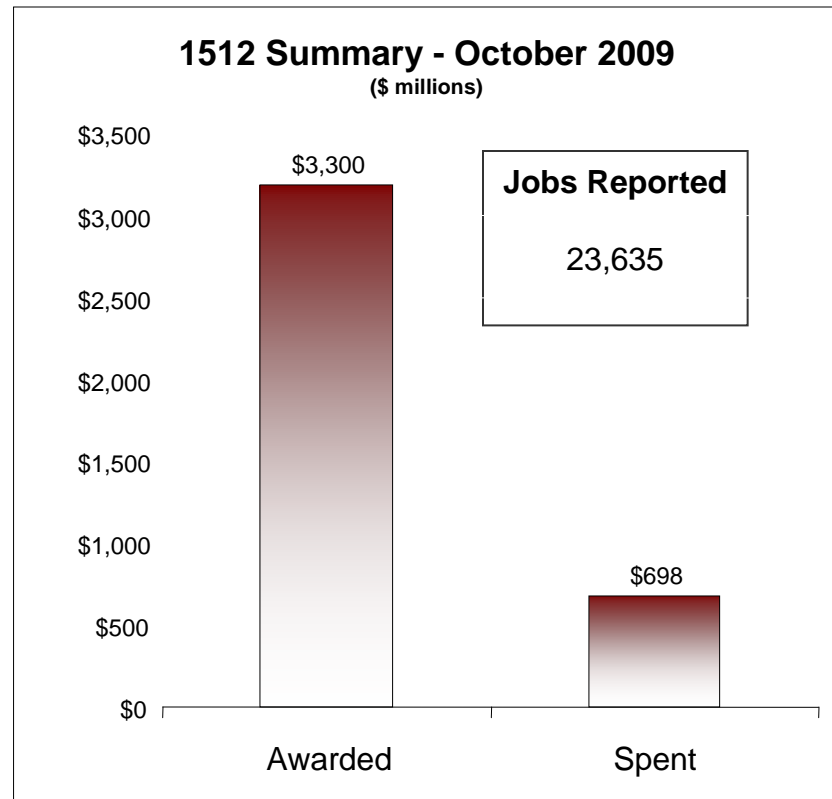
Federal Reporting Process

- On October 10, State agencies submitted all quarterly reports required by Section 1512 of the American Recovery and Reinvestment Act to the Federal government.
- From October 11-29, Recipients reviewed their 1512 reports and revised and resubmitted if material omissions were found.
- October 30, final 1512 data released by Federal Government and State of Georgia



Section 1512 Quarterly Final Results

- 44 Prime Recipients in 18 State Agencies
- 419 ARRA Awards
- FINAL 1512 Reporting Totals
 - Awarded: \$3,300,877,061
 - Spent: \$698,220,368
 - Jobs Retained/Created: 23,635
- PRELIMINARY 1512 Reporting Totals
 - Awarded: \$3,281,223,523
 - Spent: \$701,567,169
 - Jobs Retained/Created: 23,879



NOTE: FMAP, Unemployment Insurance and Tax Credit Exchange Program are not included in 1512 Reports.



Section 1512 Quarterly Final Results

<u>BY CATEGORY</u>	<u>Awarded</u>	<u>Spent</u>	<u>Jobs</u>
Fiscal Stabilization			
Education	\$844,735,394	\$491,832,743	9,658
General (Public Safety)	\$280,520,092	\$100,704,647	3,265
Health	\$140,955,415	\$15,329,573	4
Education	\$763,236,044	\$11,911,083	3,899
Employment	\$120,044,218	\$24,966,119	6,342
Transportation	\$629,242,127	\$29,777,652	244
Energy/Environment	\$383,023,541	\$23,342,611	77
Housing and Community Dev	\$86,474,113	\$258,262	70
Public Safety	\$52,340,917	\$97,678	75
Other	\$305,200	0	0
TOTALS	\$3,300,877,061	\$698,220,368	23,635



Breakdown of Fiscal Stabilization

	<u>Awarded</u>	<u>Spent</u>	<u>Jobs</u>
Local Education Authorities	\$571,077,119	\$364,504,156	8,241
Technical College System	\$17,521,110	\$17,521,110	226
University System	\$109,807,477	\$109,807,477	1,191
Un-allocated	\$146,329,688		
TOTAL EDUCATION STABILIZATION	\$844,735,394	\$491,832,743	9,658
Dept. of Corrections	\$192,111,943	\$64,787,362	2,450
Dept. of Juvenile Justice	\$56,040,406	\$23,999,718	521
Georgia Bureau of Investigation	\$12,265,544	\$6,132,772	95
Department of Revenue	\$2,356,685	\$2,356,685	40
Department of Public Safety	\$17,745,514	\$3,428,110	159
TOTAL GENERAL STABILIZATION	\$280,520,092	\$100,704,647	3,265

Counting ARRA Jobs

Federal ARRA Jobs Estimates

- The Federal Government estimated that 106,000 would be created in Georgia.
- Their estimate is based on an economic model, using multipliers and other assumptions.
- It includes ARRA impact on the whole state, not just impact of State government.

State ARRA Jobs Reported

- State jobs count is more narrowly defined vs. Fed approach.
- Only counting direct jobs retained or created.
- Can't compare with Feds – apples and oranges.

Jobs under Fiscal Stabilization Grants

- $(\text{Stabilization/Annual Payroll}) \times \text{Total Jobs}$

Jobs under Other ARRA Grants

- Hours worked expressed in FTE
- Only jobs directly retained or created in the primary contractor.
 - Does not include sub-contractors or indirect – a hot dog stand that opens next to work site