



North Carolina Department of Health and Human Services
Office of the Controller

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October 22, 2009

Memorandum 2010-04

To: Division Directors
Division Budget Officers

From: Laketha M. Miller *Laketha M. Miller*

Subject: American Recovery and Reinvestment Act of 2009 (ARRA) Reporting Guidelines

Pursuant to OMB Circular A-133 Addendum #1, the Department of Health and Human Services (the Department) must require sub-recipients of ARRA funding to maintain records that identify adequately the source and application of ARRA awards. Sub-recipients subject to Single Audits under OMB Circular A-133 must separately identify expenditures for Federal awards under ARRA on their Schedule of Expenditures of Federal Awards (SEFA) and their Data Collection Form (form SF-SAC).

In *Appendix VII, Other OMB Circular A-133 Advisories*, OMB advises inclusion of the prefix "ARRA-" in identifying the name of the Federal program on the SEFA and as the first characters in Item 9d of Part III on the SF-SAC. This information is needed to properly monitor sub-recipient expenditures of ARRA funds, as well as for oversight by the Federal awarding agencies, Federal Offices of Inspector General, and the Government Accountability Office.

Please communicate these additional reporting requirements to your sub-recipients of ARRA funds **as soon as possible**. Please instruct them if they have already submitted an audit for their 2009 fiscal year that does not report ARRA funding as indicated above, a revised audit must be completed and resubmitted in order to be compliant with OMB Circular A-133 requirements.

Thank you in advance for your continued cooperation and assistance. If any questions, please contact Leigh Ann Kerr of my staff at (919)855-3738.

cc: DHHS Controller's Section Chiefs
Leigh Ann Kerr