

## **Accountability and Audit Provisions**

### ***ARRA* Guiding Principle – Ensure transparency, reporting and accountability.**

“To prevent fraud and abuse, support the most effective uses of *ARRA* funds, and accurately track results, recipients must publicly report on how funds are used. Due to the unprecedented scope and importance of this investment, *ARRA* funds are subject to additional and more rigorous reporting requirements than normally apply to grant recipients.”

### ***ARRA* Accountability Principles**

- States and LEAs should expect to report on how *ARRA* funds were spent and the results of those expenditures. Expenditure reports will be posted on the [www.Recovery.gov](http://www.Recovery.gov) federal Web site. Also, Governor M. Jodi Rell has established a comprehensive state Web site, [www.Recovery.ct.gov](http://www.Recovery.ct.gov) to “help citizens follow the flow of federal stimulus dollars into Connecticut, track the progress of stimulus-funded projects and monitor the availability and creation of jobs through the American Recovery and Reinvestment Act of 2009.”
- States and LEAs are responsible to ensure that the *ARRA* funds are used prudently and in accordance with the law.
- States and LEAs must maintain records that will permit the U.S. Department of Education and other responsible parties to monitor, evaluate, and audit *ARRA* funds effectively.

### **Audit and Oversight of *ARRA* Funds**

- Federal Oversight Agencies –
  - Office of Management and Budget (OMB) – A-133 Federal Single Audit
  - Office of Inspector General (OIG)
  - General Accountability Office (GAO)
  - USDE
- New federal whistleblower protection for state and local government employees disclosing waste or fraud relating to stimulus funds.
- State Oversight Agencies
  - Office of Policy and Management (OPM) – State Single Audit
  - Auditors of Public Accounts
  - SDE
- Local Independent Public Accountants

## **Key Grant Compliance Requirements Subject to Audit**

- **Maintenance of Effort (MOE)**
- **Supplement, Not Supplant**

These are not new grant requirements, but with this increase in grant funding, especially for Title I and IDEA, you should be familiar with the specific requirements and waiver provisions. We recommend consultation with the SDE program contact if you are unclear or need guidance in this area. Also, your local legal staff and CPA firm should be consulted as necessary to ensure compliance with these provisions.

**ARRA second round of funds is predicated on progress made by states and LEAs in meeting record-keeping and transparency requirements.**