



STATE OF MISSISSIPPI  
HALEY BARBOUR, GOVERNOR

DEPARTMENT OF FINANCE AND ADMINISTRATION

KEVIN J. UPCHURCH  
EXECUTIVE DIRECTOR

MEMORANDUM

TO: State Agency Executive Directors

FROM: Kevin J. Upchurch *KJU*

DATE: February 27, 2009

RE: Reporting Instructions Related to ARRA - Memorandum No. 1

The Department of Finance and Administration (DFA) is providing initial instructions for reporting revenues and expenditures related to any and all federal monies received by state agencies under the American Recovery and Reinvestment Act of 2009 (ARRA). While many of the specifics related to ARRA remain unresolved and it is not yet certain which ARRA funds will be received by Mississippi, the federal law is specific in regards to accountability and transparency of all funds awarded under ARRA. Federal and state transparency laws are already in place; however, ARRA includes additional and significant transparency and reporting requirements. The following procedures will remain in effect as long as funding is available under ARRA.

SAAS Reporting Categories will be used to capture ARRA funds on a statewide basis as follows:

- The **prime recipient agency** must use Reporting Categories beginning with “AR” in the four-character field for tracking direct ARRA revenues and expenditures.
- Agencies receiving **ARRA subgrants** from another state agency must use Reporting Categories beginning with “RR” for all transactions.
- **Agencies may not use the letters “AR” or “RR” in the first two characters of the Reporting Category field for any purpose other than ARRA funds.**
- Agencies will be required to establish a separate Reporting Category code in SAAS for each federal program under ARRA utilizing the last two digits of the Reporting Category field as either a numeric or alphabetic character (e.g. AR01, ART1, ARTA, etc.).
- In addition to the Reporting Category, other tracking features, such as Org, Activity, Project, etc., may be used as needed by agencies.
- The Reporting Category **must be** used when processing SPAHRS payroll or travel payments relating to ARRA funds.

Specific procedures regarding the use of Reporting Categories in SAAS and changing accounting distributions or overrides in SPAHRS can be found under the **Recovery** link at [www.dfa.state.ms.us](http://www.dfa.state.ms.us). For assistance in establishing reporting categories, please contact the MMRS Call Center at (601) 359-1343.

Agencies may use an existing 3000 fund or establish a new Special Treasury Fund. If a new fund is requested, the name of the fund should begin with "ARRA". Reporting Categories are still required for all transactions associated with each ARRA program even if a new fund is requested.

Since federal requirements dictate that the State track subgrant monies, DFA is requiring that:

- Agencies distributing ARRA monies as subgrants to other state agencies **must** use the new object code **89105** - Transfer of ARRA Federal Grant Funds to Subgrantee using a Reporting Category beginning with "**AR**".
- The agency receiving the subgrant **must** use the new revenue code **44635** - ARRA Federal Sub-Grants Received from Other Funds and use a Reporting Category beginning with "**RR**".
- The subgrantee must use a Reporting Category beginning with "**RR**" on all ARRA related transactions.

Agencies receiving ARRA federal funds should follow standard operating procedures regarding budget escalations. If you have questions regarding budgetary issues, please contact your DFA Budget Analyst at (601) 359-3927.

Information about each ARRA program must be captured for both state and federal reporting. DFA will continue to review the ARRA regulations and will provide more guidance as additional information becomes available.

Thank you for your cooperation and assistance in this matter.

CC: State Agency Financial Officers