



TEXAS DEPARTMENT OF STATE HEALTH SERVICES

DAVID L. LAKEY, M.D.
COMMISSIONER

P.O. Box 149347
Austin, Texas 78714-9347
1-888-963-7111
TTY: 1-800-735-2989
www.dshs.state.tx.us

RE: Fiscal Federal Funding Accountability and Transparency Act (FFATA) Reporting Guidance

Dear Contractor:

This letter provides background information for the new FFATA requirements and to request the information from you as a subrecipient/sub-awardee of federal funding. The required information to be submitted is summarized at the bottom of this letter.

The White House Office of Management and Budget (OMB) recently issued additional guidance regarding the FFATA reporting requirement that took effect on October 1, 2010. This law, passed in 2006, and amended in 2008, requires any person or entity (prime awardee) receiving contract or grant funds directly from the federal government to report certain information regarding those funds through a centralized website, www.fsrc.gov.

- Subrecipient contract awards totaling \$25,000 or more must be reported if they were awarded on or after October 1, 2010.
- Prime awardees (those agencies or entities receiving funds **directly** from the federal government) must report certain information regarding those funds.
- Grant information reported for American Recovery and Reinvestment Act (ARRA) grants is not required to be reported in FFATA.

The Department of State Health Services (DSHS or Department) is the prime awardee for most of the federal awards that you receive from DSHS. As a result, your organization is identified as a sub-awardee. Sub-awardees must provide DSHS with all required information so that the Department can submit information to the federal government.

OMB guidance outlines the sub-awardee and compensation-reporting requirements for subrecipient contracts of at least \$25,000 awarded on or after October 1, 2010. If a new contract award is initially below \$25,000 but subsequent contract amendments result in a total award equal to or more than \$25,000, the award will be subject to the reporting requirements as of the date the award exceeds \$25,000.

In our efforts to comply with the reporting requirements under FFATA, DSHS is asking that you provide certification regarding the applicability of the following criteria in the attached FFATA Certification Form 4734:

- Did your organization receive 80% or more of its annual gross revenue in federal awards during the preceding fiscal year;
- Did your organization receive \$25 million or more in annual gross revenues from federal awards in the preceding fiscal year; and
- The public does not have access to executive compensation about your organization through other federal reports (e.g., SEC, IRS).

Please note that should these requirements be met in your case, DSHS is required to provide executive compensation data (the names and total compensation of the five most highly compensated officers) related to the subrecipient contract. DSHS will need the compensation and names of the entity's top five executives, if applicable, on the attached certification form.

FFATA and subsequent rules published by the federal OMB require that subrecipients have a Data Universal Numbering System (DUNS) number to receive federal funds of any type. If you have not already done so, you must register your organization for a DUNS number and provide it to DSHS. Instructions are included in Attachment B of this letter.

If you have multiple, applicable contracts with DSHS, only one certification per State fiscal year is required.

SUMMARY OF INFORMATION REQUESTED:

- 1) Based on the attached certification, you may need to provide names and total compensation of the top highly compensated officers. See Attachment A.**
- 2) 9-digit DUNS; See Attachment B.**

Submit the completed and signed FFATA Certification Form 4734 to DSHS with your signed contract, if you have questions regarding this correspondence, please email questions to CSCU-FFATA@dshs.state.tx.us.

Sincerely,

***Bob Burnette, Director
Client Services Contract Unit***

Enclosures: Attachment A: Data Element Definitions/Detail, Attachment B: DUNS Number Request, FFATA Certification Form 4734