**Appendix A8 – Federal Compliance Letter**

CITY OF

PORTLAND, OREGON

PORTLAND HOUSING BUREAU

**Nick Fish, Commissioner**

Traci Manning, Director

421 SW 6th Avenue, Suite 500

Portland OR 97204

(503) 823-2375

Fax (503) 823-2387

www.portlandonline.com/PHB



Date

**Fiscal Compliance Part A: OMB Circular A-133 Audit Requirements for Fiscal Year 2011-12**

The City of Portland is subject to the requirements of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Nonprofit Organizations*. As such, Circular A-133 requires City of Portland to monitor the subrecipient’s activities as necessary to ensure that Federal awards are used for authorized purposes in compliance with applicable laws, regulations, and the provisions of contracts and grants agreements and those performance goals are achieved. Hence your organization may be contacted by the City to verify your compliance with these items. A copy of Circular A-133 can be found at the following web address: <http://www.whitehouse.gov/omb/circulars/a133/a133.html>

Accordingly, we are requesting that you check one of the following, provide all appropriate documentation regarding your organization’s compliance with the audit requirements, and sign, date and return this letter.

* We have not yet completed our fiscal year 2011-12 A-133 audit. We will advise you of its results when it is completed by or near \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
* We have completed our fiscal year 2011-12 A-133 audit. There were no material weaknesses, material instances or noncompliance, or findings related to any subaward(s) from City of Portland. The audit was submitted to the Federal Audit Clearinghouse. A copy, with a schedule of federal expenditures, is enclosed.
* We have completed our fiscal year 2011-12 A-133 audit. Material weaknesses, material instances of noncompliance, and/or findings related to subaward(s) from City of Portland were noted. A copy of the audit report, including the schedule of federal expenditures, and our corrective action plan, are enclosed. In addition, we have included a copy of our most recent financial audit. The A-133 audit was submitted to the Federal Audit Clearinghouse
* We are not subject to the requirements of A-133 because we expended less than $500,000 in Federal funding last year or:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

A-133 Contact Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Phone \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Thank you for your prompt reply. I can be reached at 503-823-2802 if you have any questions. Please address all correspondence related to A-133 compliance to me.

Sincerely,

Anna Shook

Assistant Financial Analyst

Portland Housing Bureau

421 SW 6th Avenue, Ste. 500

Portland, OR 97204

**Fiscal Compliance Part B: Subrecipient Cost Allocation Plan Certification**

As the recipient of Federal fund, PHB is required to collect certain information from subrecipients if that agency intends to request reimbursement for indirect costs. As a subrecipient of Federal funding, your agency’s practices concerning indirect cost allocation are likely subject to the regulations contained in one of the following Office of Management and Budget (OMB) Circulars.

* Non-profit organizations are subject to Circular A-122 (Cost Principles for Non-Profit Organizations). Find more detail at [www.whitehouse.gov/omb/circulars\_a122\_2004/](http://www.whitehouse.gov/omb/circulars_a122_2004/).
* Local governments are subject to Circular A-87 (Cost Principles for Local Governments) Find more detail at [www.whitehouse.gov/omb/circulars\_a087\_2004](http://www.whitehouse.gov/omb/circulars_a087_2004).

Is your organization requesting reimbursement for indirect costs? (OMB defines indirect costs as those costs “*that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective.”* Indirect costs are typically pooled and then allocated to an agency’s various funding sources based on a single methodology. Rent, utilities and administrative staff salary and benefits are common examples of indirect costs.)

Yes \_\_\_\_\_ No \_\_\_\_\_

If your answer above is yes, you are required to submit one of the following to the Portland Housing Bureau’s Finance and Accounting office. (Direct questions to Anna Shook at 503-283-2802.)

* If you have a signed Indirect Cost Rate Agreement with your cognizant Federal agency (i.e., the agency that provides the majority of your Federal), please provide a copy along with this completed form.
* If you do not have an Indirect Cost Rate Agreement, please provide a copy of your agency’s current executed Indirect Cost Allocation Plan along with this completed form.

If your answer above is no, will your organization be requesting reimbursement for any directly-billed administration expenses?

Yes \_\_\_\_\_ No \_\_\_\_\_

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Print Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Please return to:

Anna Shook, Assistant Financial Analyst

Portland Housing Bureau

421 SW 6th Avenue, Suite 500

Portland, OR 97204

Telephone: 503-823-2802

Email: anna.shook@portlandoregon.gov

**Fiscal Compliance Part C: FSRS Reporting Requirements**

You may not need to fill this out. See below.

Agency Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. Is part of your PHB contract Federally funded? 🞎Yes 🞎No

Possible Federal funding sources:

* CDBG
* HOME
* ESG
* HOPWA
* Otis/McKinney
* Other Federal grants

If you answered “No,” **stop here. You are not subject to the FSRS Reporting Requirements.** Please send this sheet back to the Portland Housing Bureau for their records.

1. If you answered Yes to question #1, is the Federal portion of your contract $25,000 or more? 🞎Yes 🞎No

If you answered “No,” **stop here. You are not subject to the FSRS Reporting Requirements.** Please send this sheet back to the Portland Housing Bureau for their records.

**If you answered “Yes” to both questions, please read the following instructions and complete all fields on the next page.**

The Federal Funding Accountability and Transparency Act of 2010 (FFATA) enforces new requirements for all contractors with Federal grantees, such as the City of Portland, for any Federal funding amounts exceeding $25,000. These requirements apply as follows:

* Prime grantees of Federal grants of $25,000 or more, executed on or after October 1, 2010, **must report** associated first-tier sub-grants of $25,000 or more.
* Subrecipients (“first tier sub-grants”) ONLY are subject to these reporting requirements. wners/developers, contractors, consultants, and beneficiaries are not subject to FFATA.
* Prime and/or sub-awardees must report executive compensation information if in the preceding fiscal year: (1) the organization received 80% or more of its annual gross revenues in Federal awards and those revenues are greater than $24 million annually; and (2) the public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.

Every sub-awardee (subrecipient) must follow the below steps for all Federally-funded contracts:

* Every contractor/subrecipient must have a DUNS number. If you do not have a DUNS number you may register for free here:

<http://fedgov.dnb.com/webform>

* Every contractor/subrecipient must register the program on the CCR website, here:

<https://www.bpn.gov/ccr/default.aspx>

(As you may have heard, the Federal General Services Administration (GSA) is changing its registration system. Please register with CCR and your information should automatically be transferred to the new Federal system when implemented (at some point in the next fiscal year). Please see <https://sam.gov> for more information.)

* Please complete the information on the following page. The City of Portland will record this information in the Federal Subaward Reporting System website (FSRS).

 **Federal Funding Accountability and Transparency Act (FFATA)**

**Sub-Award Reporting System (FSRS)**

*Please fill out and return to the Portland Housing Bureau. The City of Portland is required to submit this information online within 30 days of the end of the month in which the contract is signed.*

|  |  |
| --- | --- |
| Name of entity receiving sub-award/contract |   |
| DBA name |   |
| Amount of award |   |
| Sub-award date (mm/dd/yyyy) |   |
| Subaward/Subcontract Number |   |
| Federal Funding agency |   |
| CFDA number (grants) |   |
| Program source |   |
| DESCRIPTIVE award title, including purpose of the funding action *(limited to a maximum of 4000 characters)* |   |
| Location of the entity *(if current location differs from address shown in DUNS/CCR registration, please provide both addresses and indicate when subrecipient plans to update DUNS/CCR information online)* |   |
| address, including zip+4 |   |
| congressional district |   |
| Place of performance |   |
| address, including zip+4 |   |
| congressional district |   |
| DUNS of the entity and its parent |   |
| DUNS +4 of the entity (grants) |   |
| Total compensation and names of top five executives (if applicable) | If not applicable, check this box (see previous page) |
| 1 | $ |
| 2 | $ |
| 3 | $ |
| 4 | $ |
| 5 | $ |
| **City of Portland Fill In Below This Line** |
| City of Portland Reporting Bureau: |   |
| Online Report Submission Due Date: |   |
| Federal Award Identifier Number (FAIN): |   |
| SAP ID: |   |
| Prime Award Total: |   |
| Prime Award Obligation Date: |   |

Please return to:

Anna Shook, Assistant Financial Analyst

Portland Housing Bureau

421 SW 6th Avenue, Suite 500

Portland, OR 97204

Telephone: 503-823-2802

Email: anna.shook@portlandoregon.gov