



FFATA GUIDANCE FOR THE IMLS GRANTS TO STATES PROGRAM

This guidance is directed to the State Library Administrative Agency (SLAA) – the official grantee receiving IMLS Grants to States funds.

I. Reporting Subawards and Executive Compensation (2 CFR Part 170 - Reporting Subaward and Executive Compensation Information)

A. Reporting of first-tier subawards

1. Applicability. Unless you are exempt as provided in paragraph D. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph E. of this award term).
2. Where and when to report
 - i. You must report each obligating action described in paragraph A.1. of this award term to <http://www.fsrs.gov>.
 - ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation is made in mid-May, the obligation must be reported by no later than the end of June of that same year.)
3. What to report. You must report the information about each obligating action that the submission instructions specify at <http://www.fsrs.gov>.

B. Reporting Total Compensation of Recipient Executives

1. Applicability and what to report You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if—
 - i. The total Federal funding authorized to date under this award is \$25,000 or more; **and**
 - ii. In the preceding fiscal year, you received—
 - (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance (including subawards) subject to the Transparency Act, as defined at 2 CFR 170.320; **and**
 - (B) \$25,000,000 or more in annual gross revenues from Federal

procurement contracts (and subcontracts) and Federal financial assistance (including subawards) subject to the Transparency Act, as defined at 2 CFR 170.320; **and**

- iii. The public does not have access to information about the compensation of your 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. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)
2. Where and when to report. You must report executive total compensation described in paragraph B.1. of this award term:
 - i. As part of your registration profile at <http://www.sam.gov>.
 - ii. By the end of the month following the month in which this award is made, and annually thereafter.

C. Reporting of Total Compensation of Subrecipient Executives

1. Applicability and what to report. Unless you are exempt as provided in paragraph D. of this award term, you must report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if—
 - i. In the subrecipient's preceding fiscal year, the subrecipient received—
 - (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance (including subawards) subject to the Transparency Act, as defined at 2 CFR 170.320; **and**
 - (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance (including subawards) subject to the Transparency Act; **and**
 - ii. 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. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)
2. Where and when to report. You must report subrecipient executive total compensation described in paragraph C.1. of this award term:
 - i. To <http://www.fsrs.gov>.

- ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

D. Exemptions

If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

1. Subawards, and
2. The total compensation of the five most highly compensated executives of any subrecipient.

Definitions

For purposes of this award term:

1. **Entity** has the meaning given in 2 CFR part 25:
 - i. A Governmental organization, which is a State, local government, or Indian tribe;
 - ii. A foreign public entity;
 - iii. A domestic or foreign nonprofit organization;
 - iv. A domestic or foreign for-profit organization;
 - v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
2. **Executive** means officers, managing partners, or any other employees in management positions.
3. **Subaward** has the meaning given in paragraph E.3 of the award term in Appendix A to this part:
 - i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. ---- .210 of the attachment to OMB Circular A-133, “Audits of States, Local Governments, and Non-Profit Organizations”).
 - iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.

4. **Subrecipient** means an entity that:
 - i. Receives a subaward from you (the recipient) under this award; and
 - ii. Is accountable to you for the use of the Federal funds provided by the subaward.

5. **Total compensation** means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
 - i. Salary and bonus.
 - ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
 - v. Above-market earnings on deferred compensation which is not tax-qualified.
 - vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

II. System for Award Management and Universal Identifier Requirements (2 CFR Part 25 - Universal Identifier and System of Award Management)

A. Requirement for System for Award Management (SAM)

Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the SAM.gov registry until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another guidance.

B. Requirement for unique entity identifier (currently Data Universal Numbering System (DUNS) numbers)

If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its unique entity identifier to you.
2. May not make a subaward to an entity unless the entity has provided its unique entity identifier to you.

C. Definitions

For purposes of this award term:

1. **System of Award Management (SAM)** means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at <http://www.sam.gov>).
2. **Unique entity identifier** means the identifier required for SAM registration to uniquely identify business entities. Currently, this identifier is the DUNS number. **Data Universal Numbering System (DUNS) number** means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities.
3. **Entity**, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
 - i. A Governmental organization, which is a State, local government, or Indian Tribe;
 - ii. A foreign public entity;
 - iii. A domestic or foreign nonprofit organization;
 - iv. A domestic or foreign for-profit organization; and

- v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

4. **Subaward:**

- i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you as the recipient award to an eligible subrecipient.
- ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see 2 CFR 200.330).
- iii. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

5. **Subrecipient** means an entity that:

- i. Receives a subaward from you under this award; and
- ii. Is accountable to you for the use of the Federal funds provided by the subaward.

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