



AREERA SECTIONS 105 & 204 COMPLIANCE

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FY 2000 - 2004 AREERA Sections 105 & 204 Expenditure Reporting

- OIG Audit findings necessitate that CSREES:
 - Implement changes in administration of AREERA Section 105 and 204 requirements.
 - Request that institutions re-examine and possibly revise targets previously set, particularly if targets previously set were below 25 percent or were “good faith” estimates.
 - Review all reporting years FY 2000 – 2004 for compliance.
 - Contacted all LGIs for non-compliance issues.
 - Waiting on a few revisions from approximately 7 states.



FY 2005 Administrative Guidance

- Certification is required by the LGI of expenditures of formula funds used to meet the requirements of the Agricultural Research, Education, and Extension Reform Act of 1998 (AREERA).
- Actual Expenditures of Federal Funding for Multistate Extension and Integrated Activities Form CSREES-REPT (Revised 09/04).
- Revised report designed so that each institution will submit only one form with attached brief summaries for each fiscal year of funding.
- The new form allows for reporting on all three AREERA requirements.
- Includes a certification statement as recommended by USDA OIG.
- Form should be submitted for each fiscal year of funding.



FY 2005 Administrative Guidance

- Due by April 1 following the close of the Federal FY.
- Must be signed and dated by either the Research or Extension Director, or both, if desired.
- Must include brief summaries to support titles of planned program activity.
- Expenditures reported are matched against the results received from multiplying the target percentage and the applicable FY allocation (e.g., target percentage times FY 2005 Hatch allocations which includes both Regular Hatch and MRF).



FY 2005 Administrative Guidance

- Carryover of Multistate Extension and Integrated requirements:
 - 1-year carryover period for Hatch Act Funds
 - 5-year carryover period for Smith-Lever Act Funds.
- Possibility exists that an AREERA requirement may not be completed for a fiscal year until the following or subsequent fiscal year. Please note carryover limitations apply to the requirements (e.g., Integrated Hatch funds must be achieved within a 2-year period).
- “Excess” not regular carryover balances will be reported and the LGI will be contacted and given the opportunity to either confirm the excess carryover or submit a revised CSREES-REPT form within 60 days of notification.



FY 2005 REPORTING ISSUES

- Allocations – OD CSREES 1088D
- Incorrect allocations reported on CSREES-REPT (Revised 09/04)
 - Smith Lever (either Regular 3(b)&(c) only or all allocations under 3(b)&(c)).
 - Hatch Act (Regular Formula Funds & Multistate Research Funds)
- List titles of planned program activity.
- Attach brief summaries.
- Report target level spending and percentages on CSREES-REPT.



WAIVER REQUESTS

- Research or Extension Director may submit a letter to the Chief, POFMB requesting a waiver.
- All LGI's should submit a request for waiver as soon as it is recognized that that they will not meet the requirement.
- Criteria for waiver approval:
 - a) Natural Disaster, flood, fire, tornado, hurricane, or drought;
 - b) State/institution facing a financial crisis; and/or
 - c) Other similar circumstance.
- Waiver requests must indicate the name of institution, type of request (i.e., multistate extension or integrated), appropriate FY, the basis for request, (i.e., one or more of criteria), supporting justification and amount.



WAIVER REQUESTS

- CSREES will notify the institution if additional documentation is required, and if the request has been approved or denied.
- For post waivers, institutions must provide an explanation and justification as to why request was not made in appropriate FY.
- All waivers are approved by CSREES Administrator.
- Waiver requests will be processed within 60 days.
- There have been 3 waiver requests reviewed and approved since requirements implemented.



FY 2006 Administrative Guidance

- Guidance will be provided by June 15, 2006
- Institutions should re-examine and possibly revise AREERA targets previously set, particularly if they were below 25 percent.
- Re-submission of new forms, if appropriate
 - CSREES-BASE (2/00),
 - CSREES-TARGET (2/00)
 - CSREES-PLAN (2/00)
- Confirmation of existing targets or revisions of existing targets are due by August 15, 2006.



FY 2006 Administrative Guidance

- CSREES will send out approval letters by September 15, 2006, regarding targets for 2007 and thereafter.
- Newly established targets will not be retroactive.
- CSREES will not require the institutions to make up any differences between old and new targets.
- Institutions will still be responsible for meeting the target spending levels set for previous years.
- If applicable, new targets take effect on October 1, 2006.



CONTACTS

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