



Mississippi Institutions of Higher Learning Questions and Answers applicable to Stimulus/ARRA funding

Question: Is a separate bank account needed for these funds?

Response: No, it is not necessary to establish a separate bank account for these funds. However, a *separate* fund or account number **must be** established in order to separately track the State Fiscal Stabilization Funds revenue and expenditures.

Question: Are we to understand that if our institution received any other award funding through ARRA we have to provide you with information regarding the details of the award or are we to provide you with detail of the actual spending?

Response: Yes, the Executive Office will be required to capture information related to institutions' *other* ARRA (non-State Fiscal Stabilization Funds). Other ARRA funds include those awards issued directly to the institutions from the federal government or a pass-through entity. Required information will relate to the details of the award AND summary-level information related to expenditures. A template (Excel spreadsheet) will be developed to capture the required information for reporting purposes. This template will be emailed to the institutions as soon as it is reviewed by the Mississippi Department of Finance & Administration.

Question: The Reimbursement Request Form does not include equipment (capital outlay). Is this not allowable? We are considering lab and classroom equipment as a possible use.

Response: **NOTE-Correction to information relayed at 7/21/09 workshop:** As long as the equipment falls within the criteria established by the ARRA act and State Fiscal Stabilization Funds guidelines, equipment IS allowable. As such, lab and classroom equipment purchases from State Fiscal Stabilization Funds ARE allowable. A revised Request for Reimbursement Form now includes the equipment category. However, *maintenance costs* associated with systems, equipment and facilities are NOT allowable.

Question: Are you requiring any type of reporting on the Making Work Pay Tax Credit and the COBRA Premium Reduction Provisions?

Response: At this point, no; however, reporting requirements associated with ARRA are subject to change as per updates from the federal and state government. Also, as these programs are funded via ARRA, the institution should ensure documentation that substantiates compliance related to these provisions is readily available.

Question: Are we reporting and reimbursed monthly or quarterly? And please restate the intended schedule for reviewing?

Response: The **State Fiscal Stabilization Funds** are to be reported monthly via the Request for Reimbursement Form. Upon receipt, the Executive Office staff will conduct an immediate review of the



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request and attached copy of the institution's general ledger report. Contingent upon no problems with the request and documentation, the information will be incorporated into the monthly draw-down process followed for state appropriated funds via the State Automated Accounting System (SAAS). Reimbursement is typically transmitted within 3 to 5 days following submission of the request.

It is our goal to use the data provided in the Request for Reimbursement Form to satisfy the quarterly reporting requirements associated with the State Fiscal Stabilization Funds. These documents will be reviewed again and discussed in detail at an upcoming meeting with the Mississippi Department of Finance & Administration regarding IHL reporting requirements. Any changes required as a result of that meeting will be communicated immediately to the institutions.

Question: For financial statement purposes, should we classify the source of these funds as Federal and not State?

Response: Yes, for financial statement purposes, State Fiscal Stabilization Funds and other ARRA funds are to be reported as federal funds.

Question: Will MSU College of Veterinary Medicine (CVM) be required to follow these steps on their own or as part of MSU as a whole?

Response: Regarding the application and certification forms, it is necessary to complete only ONE application and one certification form for each institution. The application and certification forms submitted by MSU will also cover CVM. However, separate written plans will be required for CVM's planned use of the funds versus MSU's on/off campus.

Question: What are the reporting requirements for UMMC's Federal Medical Assistance Percentages (FMAP)?

Response: Please note that UMMC must submit a narrative explaining its planned use of SFSF funds. Use of FMAP funds should *not* be included in the narrative. As a result of the ARRA funding, UMMC will be billed less (\$14 million) by the Division of Medicaid for the State match portion of Medicaid.

Question: How are State Fiscal Stabilization Funds to be classified on the Statement of Revenues, Expenses and Changes in Net Assets (SRECNA)?

Response: State Fiscal Stabilization Funds are to be reported as operating revenues on the Statement of Revenues, Expenses and Changes in Net Assets (SRECNA).



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Question: Included with a memo from the Governor to all state agency directors and stimulus coordinators was a list of the federal student financial assistance awards for our institution, two amounts for PELL, (CFDA 84.063) and one for Federal Work Study (CFDA 84.033). Are these the non-stimulus funded amounts?

This also included forms for the Compliance Designee, and the Monthly Plan Updates (July 12 2PM version). Will the institutions be submitting our plans and these forms directly to the Governor's Office or based on your slide #14, "SFSF Relationships", will we be submitting them via IHL?

Response: It was learned at a Stimulus Coordinator's meeting on 7/24/09 that the document listing financial aid type awards in the packet from the Governor's Office was simply for informational purposes. What is *not* known is if the award amount listed for PELL or Federal Work-Study (FWS) includes the ARRA component of funding. However, as discussed, most current guidance indicates that the federal government is responsible for reporting ARRA funding associated with PELL and FWS.

Regarding the forms for compliance designee and monthly plan updates, this information will be collected by the Executive Office and submitted to the Governor/DFA.