

United States Senate  
WASHINGTON, DC 20510-4904

April 16, 2009

The Honorable Peter Orszag  
Director of the Office of Management and Budget  
1650 Pennsylvania Avenue, NW  
Washington, DC 20503

Dear Dr. Orszag:

I write to offer comments and recommendations on your April 3, 2009, American Recovery and Reinvestment Act guidance to federal agencies. With the passage of the Recovery Act, also known as the stimulus bill, Congress and the President took bold action to create jobs and get our economy moving again. Now, we have the opportunity and the responsibility to ensure oversight and transparency of the funds in the Recovery Act. I commend you on your efforts thus far to provide stringent oversight guidance to federal agencies, however, I believe more can and needs to be done. By improving recipient reporting and data collection, we can help the American people to more easily track where this money is going and how effective it has been in meeting its goals.

Section 2.10 of your April 3, 2009, memo to federal agencies details recipient reporting for discretionary funding provided through the Recovery Act. You have defined "recipient" as "any entity that receives Recovery Act funds directly from the Federal Government other than an individual and includes a State that receives Recovery Act funds." This definition should be broadened to include all entities that receive discretionary Recovery Act money. The money needs to be tracked and accounted for on every level so that gaps in reporting do not arise.

For example, your memo indicates that "recipients" have to disclose the money that they receive, and the money they pass on to sub-recipients. That means that, in cases where money is provided by a state to a local government or organization for distribution, there may be no information provided about the ultimate use, and effectiveness, of the money – unless the definition of "recipient" is broadened.

I also urge you to improve the reporting requirements in your memo. Currently, recipients must provide information on the types of job created or retained and "an estimate of the number of jobs created and retained." Rather than receiving estimates, the American people should be informed as precisely as possible how many jobs were created or retained. While states or local organizations may not

be able to provide precise numbers, the ultimate recipients of the money should be able to do so, which is why it is so important that they have to comply with reporting requirements.

In addition, more detailed jobs data would help taxpayers determine whether the Recovery Act was successful, while also creating a new statistical database of information to provide a clearer and more complete picture of the economic well being and potential of the United States. For example -- what percentage of the jobs created/retained included benefits packages, such as health insurance and retirement plans? What percentage of the jobs created/retained were long-term vs. short-term positions? What type of educational background was needed for the jobs created/retained? It is important that the taxpayers know as much as possible about the tremendous investment they have made in turning the economy around.

I understand that the OMB has requested input from the public and will be issuing new guidance 30-45 days after the April 17, 2009, public input deadline. I hope that the OMB will take my recommendations and the recommendations of the public very seriously. The Recovery Act was an unprecedented effort to create jobs and stimulate the economy. Now, we need to take equally bold steps to measure the effectiveness and provide full information about how the money is spent.

If you have any questions or comments please contact Meredith Fahey of my staff at 202.224.4165 or by email at [Meredith\\_Fahey@feingold.senate.gov](mailto:Meredith_Fahey@feingold.senate.gov). Thank you.

Sincerely,



Russell D. Feingold (D-WI)