

COMPLYING WITH FEDERAL STIMULUS FUNDING



As federal economic stimulus spending makes its way into New York State, the public authorities, agencies and municipalities accepting these funds will face another important challenge: **new compliance requirements**.

That's because the American Recovery & Reinvestment Act (ARRA) of 2009, which has allocated \$25 billion in direct stimulus funds to New York, will require significant measures to ensure that local spending complies with evolving federal standards to foster integrity throughout the process. And, many of these standards have yet to be defined by Congress or the federal agencies overseeing funding for such "shovel-ready" projects as highways, bridges and tunnels, as well as investments in schools, health care and renewable energy.

CHALLENGES FACING STIMULUS RECIPIENTS

While not yet fully defined, the "strings" attached to the funding will be designed to provide a high level of transparency and prevent such activities as wasteful spending, improper allocations and perceived lack of integrity in the procurement process.

For any funding recipient, the stakes are high. The penalties for non-compliance could be severe, and may include forfeiture of future funds and even callback provisions with fines. All recipients of stimulus funding, including municipalities and regional authorities, could be subject to penalties and fines. This will add another layer of complexity to an already challenging procurement process.

HOW UHY LLP CAN HELP

For more than 40 years, UHY LLP and its predecessor firms have been serving the needs of state and local governmental entities of all sizes throughout New York. We have a dedicated Government Services practice that is well-versed in the latest standards including OMB A-133 Single Audit, the latest Governmental Accounting Standards Board pronouncements and all governmental auditing standards.

Our involvement helps ensure integrity and independence throughout the process through:

- Auditing and financial reporting
- Governance consulting
- Governmental accounting requirements
- Integration with current compliance needs to streamline duplicative processes
- Linkage with your other professional services providers
- Risk management services

In addition, UHY LLP will collaborate with other service providers – such as legal and integrity risk management firms – to offer clients a seamless approach to meeting their compliance challenges.



COMPLYING WITH FEDERAL STIMULUS FUNDING (CONT.)

INDUSTRY EXPERTISE

UHY LLP recognizes that agencies, public authorities and municipalities operating throughout New York State today require their auditors and advisors to have the experience and integrity to add value to compliance activities. With access to more than 1,200 employees operating in locations throughout the country (three offices in New York), UHY LLP has the capabilities to serve governmental entities with distinction through the support of our national Government Practice.

FOCUSED SERVICES

UHY LLP's services that can address a governmental entity's evolving needs include:

INDEPENDENT AUDITS

- Financial Statement Reviews & Compilations
- Government Auditing Standards (Yellow Book)
- OMB Circular A-133
- Other Audits (i.e., Economy & Efficiency, Program and Performance)

SPECIAL COMPLIANCE NEEDS

- American Recovery & Reinvestment Act
- Design, Implementation & Testing of Internal Controls
- Financial Transparency Requirements
- Public Authorities Accountability Act
- Sarbanes-Oxley Education

MANAGEMENT CONSULTING

- Cost Management Services
- Financial Management Outsourcing
- Governance, Risk & Compliance Services
- Process Improvement
- Shared Services



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