

CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE

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William J. Pavão
Executive Director

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State Controller

DATE: June 17, 2010
TO: American Recovery and Reinvestment Act (ARRA) Funds Recipients
FROM: William J. Pavão, Executive Director
SUBJECT: Section 1602 and TCAP Monthly Reporting

Beginning June 17, 2010 the California Tax Credit Allocation Committee (TCAC) will request monthly progress reports from recipients of Section 1602 and Tax Credit Assistance (TCAP) awards. Information submitted to TCAC will be compiled and reported to the Office of Management and Budget (OMB) and to the Department of Housing and Urban Development (HUD).

As a sub-awardee, you were awarded ARRA funds (in the form of loans or grants) from TCAC to develop affordable rental housing.

For ALL TCAP and Section 1602 Sub-recipients:

Please provide the following information:

- Percentage of Total Development Budget expended to date
- Percentage of Construction complete to date
- Please sign the statement at the bottom of the spreadsheet that states the project owner has posted the required ARRA signage at the project construction site.

For TCAP Sub-recipients ONLY:

Please provide the following additional information:

- The **number of direct jobs created and/or retained** as a result of ARRA funding during the months of April, May and June.
 - Definition of Direct Jobs: Direct jobs are those jobs that are compensated directly through ARRA funds. Indirect jobs such as material suppliers or central service providers should **not** be included. Therefore, employees who deliver materials to a project site or clerical staff who prepare reports should **not** be included in the reported jobs data.

- Definition of Jobs Created: A job created is a new position created and filled or an existing unfilled position that is filled as a result of ARRA funding.
- Definition of Jobs Retained: A job retained is an existing position that is now funded by the Recovery Act.
- Please note that a job **cannot** be counted as both created and retained.
- The numeric job data should be reported on a **Full Time Equivalent (FTE)** basis.
- To calculate the portion of a Full Time Equivalent (FTE), sub-recipients will need the total number of hours worked by employees in each of the last three months (**April, May, and June**) in jobs that meet the definition of a job created or a job retained. The sub-recipient will also need the number of hours in a full-time schedule for each month. For instance, if a full-time schedule is 2,016 hours/year, the number of hours in a full-time schedule for a month is 168 (2,016 hours/12 months = 168). The formula for reporting can be represented as:

$$\frac{\text{Total Number of ARRA Funded Hours Worked during the Month}}{\text{Total Number of Hours in a Full Time Schedule}} = \text{FTE}$$

Example: Assume that a sub-recipient's ARRA funds paid for two full-time employees and one part-time employee working half days for the quarter. Also assume that the sub-recipient's full-time schedule for the month is 168 hours (2,016 hours in a work-year divided by 12). To convert hours worked to number of FTE for the monthly report, aggregate all hours worked and divide by the number of hours in a full-time schedule for the month. In this example, two full-time employees each worked 168 hours (336 hours combined) + one employee worked half-time or 84 hours for a total of 420 hours worked. Divide total number of hours worked by the number of hours in a full-time schedule for the month: $420 \div 168 = 2.5$ FTE for the month.

- A **description of the types of direct jobs** created and/or retained due to ARRA funded projects and activities.
 - In narrative form, briefly describe the types of jobs created or retained. The description may include job titles, broader labor categories or the sub-recipient's existing practice for describing jobs.
 - Use terms that are widely understood and describe the general nature of the work.
 - In the narrative, please note whether you estimated or used actual job data for your calculations. TCAC expects that the job data will be generated with actual data and extrapolation. Under limited circumstances, you may use a statistical methodology to estimate the number of jobs created and/or retained.
- Provide the **Name and Headquarter zip code + 4 digits for each Vendor**.
 - Definition of a Vender: A vendor is a dealer, distributor, merchant or other seller providing goods or services that are required for the conduct of a Federal program.
 - Characteristics of a Vendor:
 - Provides the goods and services within normal business hours.
 - Provides similar goods or services to many different purchasers.
 - Operates in a competitive environment.
- Please sign the statement at the bottom of the spreadsheet that states the project owner is compliant with Davis-Bacon prevailing wage requirements.

June 17, 2010

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We ask that you fill out the attached spreadsheet form and email it to ARRA@treasurer.ca.gov by 5:00pm (PST) on Wednesday, June 30th.

Should you have any questions, please do not hesitate to contact Tiffani Armstrong at (916) 653-4367 or via email at tarmstrong@treasurer.ca.gov.

Sincerely,

William J. Pavão
Executive Director