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Gov. Culver: GAO report shows Iowa is making good use of federal recovery funds
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GOVERNOR CULVER: GAO REPORT SHOWS IOWA IS MAKING GOOD USE OF FEDERAL RECOVERY FUNDS

DES MOINES – A recent U.S. Government Accountability Office (GAO) report finds that Iowa is effectively tracking and implementing the use of federal recovery funds, Governor Chet Culver announced today. Iowa is one of 16 states being monitored by the GAO on the implementation of the American Recovery and Reinvestment Act.

“President Obama urged states to move quickly in putting federal recovery dollars to work, and in Iowa is working hard to do exactly that,” said Governor Culver. “Federal recovery funds have helped us in many ways, from fully funding education to meeting health care needs during the recession to meeting more of our infrastructure needs. This new GAO report demonstrates our commitment to not only implementing the Recovery Act quickly, put in a way that is accountable and transparent. In the end, this effort will have a positive impact on our economy and for people across our state.”

The GAO report points out that Iowa is moving in a quick and efficient manner in utilizing Recovery Act funds, especially in the areas of transportation, health care and education. Some key points in the GAO's report include:

- Iowa has received about \$136 million in Federal Medicaid Assistance Percentage (FMAP) funding, and has allocated nearly \$127 million – or nearly 93% - as of June 30.
- Iowa has used nearly \$40 million of its Education Stabilization Funds to help avert education cuts, such as teacher layoffs. Iowa is one of only five of the 16 “GAO” states that have utilized Education Stabilization Funds by June 30th.
- Iowa has obligated nearly 89% of Recovery Act highway infrastructure funds,

obligating funds to 165 highway projects.

- Iowa quickly achieved the Recovery Act requirement that at least 50% of state highway infrastructure funds be obligated by June 30th, 2009.

GAO also points out that Iowa is taking extra steps in making sure Recovery Act funds are spent in an appropriate manner by creating the Iowa Accountability and Transparency Board to provide an additional layer of oversight for the Recovery Act in Iowa.

The GAO's report can be found at <http://www.gao.gov/recovery/bimonthly/ia/ia-july-09.php>

President Obama signed the American Recovery and Reinvestment Act (ARRA) into law in February. Iowa is expected to receive an estimated \$2.5 billion, which will be used to support many state programs, such as education, Medicaid, and transportation funding, of which more than \$70 million has been distributed. To help ensure Iowa continues to effectively distribute ARRA funds, the Governor signed Executive Order 12, which created the Iowa Accountability & Transparency Board to help oversee the implementation of the Economic Recovery Act.

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