



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE CONTROLLER

May 3, 2016

MANAGEMENT PROCEDURES MEMORANDUM NO. 2016-03

MEMORANDUM FOR: THE HEADS OF DEPARTMENTS AND AGENCIES

FROM:

David Mader
Controller

SUBJECT:

Additional Guidance for DATA Act Implementation: Implementing
Data-Centric Approach for Reporting Federal Spending Information

OMB Contacts:

Nicole Martinez Moore
(202-395-7552, SpendingTransparency@omb.eop.gov)

This Memorandum provides additional guidance to Federal agencies on reporting Federal appropriations account summary-level¹ and Federal award-level² data to USASpending.gov³ in accordance with the Federal Funding Accountability and Transparency Act of 2006⁴ (FFATA), as amended by the Digital Accountability and Transparency Act of 2014⁵ (DATA Act or FFATA, as amended), and in furtherance of Federal spending transparency. This Memorandum also discusses the requirement for Federal agencies to associate data in agency financial systems with a unique award identification number (Award ID) to facilitate the linkage of these two levels of data.

The purpose of this Memorandum is to memorialize the policy decisions made during the establishment of the data definition standards in the spring and summer of 2015, and to clearly establish the authoritative sources which shall be used by Federal agencies for DATA Act reporting. This Memorandum includes guidance issued by the Office of Management and Budget (OMB) in collaboration with the Department of the Treasury (Treasury) and is informed by recommendations and input representing both Federal agencies and Federal councils.

¹ Reporting of Federal appropriations account-level data to USASpending.gov (or its successor site) will be on a quarterly basis.

² Reporting of Federal award-level data will continue at the current reporting cadences.

³ This Memorandum's requirements apply to reporting of required data for posting on USASpending.gov or its successor website. Any reference to "USASpending.gov" means USASpending.gov or a successor system.

⁴ Federal Funding Accountability and Transparency Act of 2006, Public Law No. 109-282, 31 U.S.C. § 6101 note.

⁵ Digital Accountability and Transparency Act of 2014, Pubic Law No. 113-101, 31 U.S.C. § 6101 note.

Background

Enacted in May 2014, the DATA Act requires OMB and Treasury to establish government-wide financial data definition standards for any Federal funds made available to or expended by Federal agencies and entities receiving Federal funds.⁶ On May 8, 2015, OMB and Treasury issued final data definition standards guidance including financial data definition standards for Federal agency account-level reporting in accordance with section 4(c) of FFATA, as amended. Additional data definition standards related to Federal award reporting were finalized on August 31, 2015 to improve comparability of other data reported in connection with FFATA's 2006 and 2008 requirements.⁷

In order to implement the DATA Act, OMB issued a memorandum entitled "Increasing Transparency of Federal Spending by Making Federal Spending Data Accessible, Searchable, and Reliable" [M-15-12](#), which requires Federal agencies to report financial data in accordance with the data definition standards for display beginning May 2017. It also requires the posting on USASpending.gov of Federal agency appropriations account summary-level data, to include obligations and outlays beginning May 2017. The reporting of data in accordance with the data definition standards will enable financial data to be posted on USASpending.gov for use by taxpayers and policy makers in a consistent, reliable, and searchable format.

Under OMB M-15-12, agencies are required to maintain current cadences for Federal award-level reporting. Specifically, agencies should report financial assistance award data twice a month on USASpending.gov.⁸ For procurement reporting, agencies are to maintain current cadences in accordance with the timeframes under the Federal Acquisition Regulation (FAR) to the Federal Procurement Data System (FPDS-NG). In addition, to support new DATA Act requirements, and consistent with its stated purpose, OMB M-15-12 also requires agencies to report appropriations account summary-level data including obligations and outlays by appropriations account, object class, and program activity to USASpending.gov and link them to award-level data for publication beginning May 2017.

The development process for the 57 data definition standards issued by OMB and Treasury in 2015 included consultation with public and private stakeholders, consideration of existing statutes, regulations, and policies, and consideration of business processes for which the data are generated and used. For each standard, a white paper⁹ was drafted to describe how data elements were used, the rationale for the final standards, and if applicable, any business process changes. Consistent with the DATA Act and OMB M-15-12, this Memorandum requires Federal agencies to report financial data in accordance with these 57 data definitions for DATA Act reporting beginning May 2017. This Memorandum also memorializes and finalizes policy decisions made

⁷ Section 2(b) of FFATA requires reporting of federal award-level data, to include award title, award amount, recipient, and purpose of the award, among other data elements.

⁸ For financial assistance award-level data, the current cadence should continue. Financial assistance data will be reported on at least the 5th and 20th of each month. Agencies shall submit any available financial assistance award-level data (full or partial) by the 5th of each month, and **must** ensure prior month data is complete no later than the 20th of the month. Data will be updated for display on USASpending.gov twice a month.

⁹ These white papers were posted on GitHub for public feedback and can be found here: <http://fedspendingtransparency.github.io/data-elements/>. The final data definition standards, which incorporate white paper recommendations and feedback, as appropriate, are located at <https://max.gov/datastandards>.

as a result of the establishment of the data definition standards and the standards development process.

Treasury is developing technical guidance for agencies to facilitate reporting in accordance with DATA Act requirements. Treasury's forthcoming technical guidance will (1) leverage industry standards to the extent reasonable and practicable, (2) make it easier for the public to retrieve and understand the data posted on USASpending.gov, and (3) align with existing requirements established by OMB, which are in accordance with regulations and policies regarding DATA Act and award reporting requirements.

The final technical guidance, known as the final DATA Act Schema¹⁰, will be posted on USASpending.gov and provide agencies with information needed to report DATA Act elements¹¹ to USASpending.gov. The final technical guidance will reflect agency input, align with business processes policy and rules for procurement, financial assistance, financial management, budget execution, and the portions of the budget process for object class and program activities.

A. New Federal Prime Award Reporting Requirements

Agencies must comply with the following requirements in connection with the reporting of prime award information to ensure successful implementation of data definition standards, more complete information reported to USASpending.gov and greater transparency of Federal spending. These reporting requirements are subject to agencies' internal control procedures, consistent with the requirements under OMB Circular A-123 to implement enterprise risk management and internal controls that ensure the reliability of reporting for both internal and external use.¹²

1. Award ID Linkage Requirement

As required by OMB M-15-12, all Federal agencies must carry the prime award identification number (Award ID)¹³ so that award-level and financial data may be linked for each Federal award. In order to begin displaying linked data beginning May 2017, agencies should have the Award ID linkage in their financial and management systems no later than January 1, 2017. Agencies are required to have the Award ID linkage for all modifications/amendments to awards made after January 1, 2017 for reporting to USASpending.gov. Carrying the Award ID in the financial and management systems by January 1, 2017 will ensure that data from the second quarter of 2017 can be reported on USASpending.gov by May 2017.

¹⁰ The DATA Act Schema provides a standardized definition and conceptual model to represent the information domain for public reporting of Federal spending. It is described, expressed, and represented in multiple complementary artifacts.

¹¹ The Treasury technical guidance may address standards for reporting in addition to the 57 required DATA Act elements, as additional standards may be used by the public and Federal agencies for easier access to and use of the data in decision making and to improve efficiency.

¹² OMB will be issuing additional guidance to agencies on internal controls by the end of Fiscal Year 2016.

¹³ As stated in OMB M-15-12, the Award ID is the Federal Award Identification Number (FAIN) for financial assistance and Procurement Instrument Identifiers (PIID) for procurement.

As of the date of this Memorandum's issuance, for agencies without an award ID linkage between financial and management systems: Beginning on January 1, 2017, such agencies will be required to carry an award ID associated with both new awards and any modifications/amendments made after that date to existing awards.

There is no requirement for financial systems to record and maintain, by each Award ID, financial obligation amounts incurred prior to January 1, 2017.

Some agencies may need to implement an interim solution to accomplish the Award ID linkage described in OMB M-15-12 to report data by May 2017. Agencies should continue to work with OMB and Treasury on their implementation timeline and approach to ensure they are on a path to meeting reporting deadlines and adhering to policy guidance.

2. *Reporting All Treasury Account Symbols (TAS) Associated with Each Award*

Beginning May 2017 appropriations account summary-level financial data reported quarterly to USASpending.gov must include each TAS from which funds were obligated and associated financial obligation amounts for each award. All awards made or modified after January 1, 2017 should be associated with each TAS in agency financial systems. To ensure agencies report this data from the authoritative source (financial systems), current capture of the TAS in FPDS-NG will be eliminated to avoid confusion. There are no procurement or grants policy changes required to effect this change, as the Award ID in the financial systems will support linking the data.

3. *Standards for the Federal Award Identification Number (FAIN) for Financial Assistance Awards*

As of the issuance of this Memorandum, agencies must ensure that none of their FAINs exceed 30 characters. OMB M-15-12 further specifies that once a FAIN is created for a new award, it may not, except in limited circumstances, be modified during the life of the award. The 30 character limit also includes alphanumeric characters and any special characters included in the FAIN. For the purposes of reporting to USASpending.gov, agencies will continue the current practice of reporting the award modification/amendment number¹⁴ and the FAIN in separate fields.

4. *Reporting Financial Assistance Records containing Personally Identifiable Information (PII)*

In order to ensure current levels of transparency are maintained, agencies must continue to report financial assistance awards containing PII in aggregate or in such a way as to protect PII. Aggregate award-level data is required to link to financial data, and the technical guidance for achieving this linkage is forthcoming.

5. *Use of a Consistent Federal Hierarchy for Award Reporting*

For procurement award reporting, the standard coding structures described below are being implemented in the Federal awarding hierarchy managed by the General Services Administration's Integrated Award Environment (IAE). Because financial assistance award-

¹⁴ An award modification or amendment should include every financial and administrative action, such as novations, address corrections, and place or period of performance changes

level data resides in agency management systems and is not reported to IAE, implementation of the Federal awarding hierarchy will require a phased approach for reporting financial assistance data.

To implement the provisions in this section, Federal agencies will be responsible for managing and maintaining their Federal awarding hierarchy. The IAE will be reaching out to agencies through the IAE governance communities to solicit input from agencies on capabilities and requirements for this application. In addition, for financial assistance reporting, the Award Submission Portal will be modified to accommodate reporting of the new information.

Use of Standard Coding Structure for Reporting Agency

Beginning **May 2017** Federal agencies must associate new financial assistance and procurement awards reported to USASpending.gov using the standard for agency codes, referred to as the “CGAC Agency Codes” in [Appendix C of OMB Circular No. A-11 \(2015\)](#), to report at the department level. Use of this standard will improve data quality, consistency, and transparency across the Federal Government.

For financial assistance awards, Awarding Agency information will need to be reported directly to the Award Submission Portal between May 2017 and October 2018. Once the Activity Address Code standard described below is implemented for financial assistance, it is anticipated that the IAE Federal awarding hierarchy will be leveraged to display Awarding Agency and Funding Agency¹⁵ for financial assistance awards.

New Requirement to Use Standard Coding Structure for Reporting Sub-tier for Financial Assistance Awards

In the fall of 2015, agencies provided a list of their department level and sub-tier level information to IAE for inclusion in the Federal awarding hierarchy for financial assistance. Between May 2017 and October 2018 agencies should report Awarding Sub-tier for financial assistance awards to USASpending.gov using the same sub-tiers which were submitted to IAE. This will ensure that the sub-tiers which are reported for the financial assistance community align with the IAE hierarchy, as they will for procurement data. Once the Activity Address Code standard described below is implemented for financial assistance, it is anticipated that the IAE Federal awarding hierarchy will be leveraged to display Awarding Sub-tier and Funding Sub-tier for financial assistance awards.

New Requirement to Report Financial Assistance¹⁶ Awarding and Funding Offices Using the Activity Address Code (AAC) Standard for Financial Assistance Awards

To improve transparency and consistency of data reported to USASpending.gov, under this Memorandum agencies are required to adopt the AAC standard for financial assistance. Beginning **October 1, 2018**, for each new financial assistance award, Federal agencies are required to track both Federal awarding office and Federal funding office in

¹⁵ Forthcoming guidance will address Funding Agency reporting requirements with respect to instances of intergovernmental transfers or interagency agreements.

¹⁶ The requirement to report the awarding and predominant funding office for Federal procurement is in FAR 4.603.

their award management systems, and to report these data elements to USASpending.gov. The Federal awarding office and the Federal funding office must be tracked and reported using the appropriate activity address code (AAC) and will be displayed publicly on USASpending.gov. Upon AAC implementation, the IAE Federal awarding hierarchy will be leveraged to display agency and sub-tier level information, thereby eliminating the need for agencies to separately report these elements.

B. Agency Certification and Authoritative Sources for Reporting Pursuant to FFATA, as amended

On a quarterly basis, agency Senior Accountable Officials must provide reasonable assurance that their internal controls support the reliability and validity of the agency account-level and award-level data they submit to Treasury for publication on USASpending.gov.¹⁷ SAOs must provide this assurance for data they submit to Treasury on a quarterly basis beginning with FY2017 second quarter data, to be displayed May 2017, and every quarter thereafter. The SAO assurance means that, at a minimum, the data reported are based on OMB Circular A-123 appropriate internal controls and risk management strategies. Such controls, strategies, and practices should leverage existing data quality and management controls established in statute, regulation, or Federal-wide policy. SAO assurance of data from data sources that have existing system and process controls, such as verification and validation, means the data complies with the existing controls.

1. The Authoritative Source for Federal Non-financial Procurement Award Data Remains FPDS-NG.

As outlined in OMB M-15-12, procurement award data will continue to flow to USASpending.gov directly from FPDS-NG on a daily basis for transparency purposes. The FPDS-NG data elements are defined in accordance with the FAR and are incorporated by reference into the DATA Act Schema and supporting documents to ensure continued alignment of DATA Act documentation with the FAR.

To facilitate DATA Act reporting, all non-financial,¹⁸ procurement data elements, including awardee data, will continue to flow to USASpending.gov directly from FPDS-NG with no additional data transfer required by agencies. Since the official financial records of the Government are agency accounting records in the agency financial systems, the procurement award obligation, funding agency, and TAS will be provided by agencies from their financial systems to be incorporated into agency quarterly reporting.

¹⁷ The awardee information reported directly from awardees in support of FFATA to SAM and FSRS remain the responsibility of the awardee in accordance with terms and conditions of Federal agreements. OMB Circular A-123 and Appendix A will provide additional guidance around internal controls over information reported to SAM and FSRS.

¹⁸ Non-financial procurement data elements for quarterly DATA Act report exclude the award obligation. For daily procurement reporting to USASpending.gov, the award obligation is included.

2. *The Authoritative Source for Appropriations Account Summary-Level Financial Data Remains the OMB SF 133 Report on Budget Execution and Budgetary Resources (SF 133)*

Currently, Federal agencies submit data that underlie the SF 133 to OMB via the Treasury Department's Government-wide Treasury Account Symbol Trial Balance System (GTAS). OMB aggregates and crosswalks the GTAS data to produce the SF 133 Report, which is posted publicly¹⁹ in PDF, Excel, and XML format.

For DATA Act reporting, Federal agencies will submit appropriations account-level financial data required by the DATA Act directly to Treasury in accordance with Treasury technical guidance. Federal agency appropriations account-level financial data provided by agencies and reported for posting on USASpending.gov must match the data reported by OMB SF 133 Reports.²⁰

3. *The Authoritative Source for Object Class is Section 83 of OMB Circular A-11.*²¹

Federal agencies must submit object class data directly to Treasury in accordance with Treasury technical guidance to meet DATA Act appropriations account summary-level reporting requirements. The object class codes and names provided from agencies and reported on USASpending.gov must match the codes used in OMB Circular A-11.

4. *The Authoritative Source for Program Activity Codes and Names is the Program Activity Section of the Program & Financing Schedule in the President's Budget.*

Federal agencies must submit program activity data directly to Treasury in accordance with Treasury technical guidance to meet DATA Act appropriations account summary-level reporting requirements. Each account in the President's Budget uses a different set of program activity codes and names. The coding conventions and other information regarding the establishment and usage of program activities are described in Section 82 of OMB Circular A-11.

Program activity codes and names provided by Federal agencies and reported for posting on USASpending.gov must match the codes and names used in the Appendix, Budget of the United States Government, Fiscal Year 20##.

5. *The Authoritative Source for Entity Information of **Financial Assistance Awardees** Remains Agency Systems, Validated Against the System for Award Management (SAM) For Awardees Required to Register in SAM.*

¹⁹ SF 133s are publicly available: <https://max.omb.gov/maxportal/document/SF133/Budget/FACTS%20II%20-%20SF%20133%20Report%20on%20Budget%20Execution%20and%20Budgetary%20Resources.html>

²⁰ In contrast, Federal award-level data may be less than or equal to the obligations on the SF 133 reports due to legitimate reasons, such as omission of micro purchase level data and accruals that are reported on the SF 133, but will not be reported under FFATA, as amended.

²¹ As of the issuance of this Memorandum, the requirements in Sections 82.5(e) and 83.19 of OMB Circular A-11 for agencies to submit object class and program activity data from their accounting systems to OMB are eliminated. This action is being taken so agencies can focus their full efforts on reporting these data to Treasury using the format specified by Treasury in its DATA Act Schema.

For prime Federal financial assistance awards, 2 CFR part 25 includes requirements for specific entities to be registered in SAM prior to submitting an application. Federal agencies must submit data on financial assistance awardees twice a month to USASpending.gov.⁷ Agencies must continue to use information from their systems to populate this data. In order to improve data quality and comparability, agencies must ensure that Federal award-level data in their systems for awardees required to register in SAM and reported for posting on USASpending.gov matches data in SAM at the time of the award and for the duration of such an award unless a modification/amendment is made.

6. *The Authoritative Source for Subaward Information Remains the FFATA Subaward Reporting System (FSRS).* Data will continue to flow directly from FSRS to USASpending.gov as it does today with no additional actions required of agencies. Prime awardees will continue the current practice of reporting subaward data.
7. *The Authoritative Source for Executive Compensation Information Required by FFATA (and reported for posting on USASpending.gov) is the System for Award Management (SAM).* Data will continue to flow directly from SAM to USASpending.gov with no additional actions required of agencies.

By **March 31, 2017**, for all new or modified financial assistance awards, Federal agencies must ensure that the official entity information, specifically the legal business name and the physical address, are identical to SAM at the time of the award and award's modification. Federal agencies shall ensure that proper internal controls are in place to assure alignment of SAM data with information in their internal management systems.²² Agencies are not permitted to change this information either in SAM or in their systems at any other point in the awarding process.

If you have any policy questions about this guidance, contact SpendingTransparency@omb.eop.gov. If you have any technical questions about USASpending.gov, please contact the Department of the Treasury's DATA Act Program Management Office (PMO) at DATAPMO@fiscal.treasury.gov.

²² Through the application process, agencies collect additional information about the entity receiving the Federal financial assistance award, which may include alternate names and addresses. Agencies may store other entity information in their award management systems, however, they must ensure that the values for legal business name and physical address match exactly (including case) at the time of the award and at the time of any award modification, and that this data is what is submitted to USASpending.gov for financial assistance awards.