

Controller Alert: Award Description Data Quality for Financial Assistance Awards

Controller Alerts are designed to highlight emerging financial management issues that may require agency attention or action. These Alerts are intended to inform the Chief Financial Officer (CFO) community of key issues where the Office of Management and Budget (OMB) believes further action may be warranted, but do not constitute official guidance or prescribe specific tasks for agencies beyond consideration of appropriate steps to address the issue.

The purpose of this Controller Alert is to provide agencies a reminder of the most recent OMB policy regarding Financial Assistance requirements for award description data quality and controls. In light of the additional transparency and accountability measures required by sections 15010 and 15011 of the CARES Act and relevant OMB guidance noted below, it is particularly important for agencies to review the controls they have in place for providing transparent spending information to the public. The award description is one piece of data that can be particularly impactful to the public in sharing information about the intended impact of Federal spending.

Strong award descriptions provide the reader with an understanding of **the purpose of the Federal financial assistance award** and **include a description of award specific activities and purpose**. Award descriptions are distinct from the programmatic level information provided in the Assistance Listings and Federal awarding agencies are discouraged from including general programmatic level information in the award description.

Characteristics of strong award descriptions avoid acronyms or Federal or Agency-specific terminology, and include a plain language description of the:

- Purpose for the award;
- Deliverable; and,
- Intended beneficiary or recipient of the funds.

In early 2015, pursuant to the Federal Funding Accountability and Transparency Act (FFATA), as amended by the Digital Accountability and Transparency Act (DATA Act), OMB and the Department of the Treasury identified a set of Government-wide data standards for the purpose of public reporting certain data regarding Federal funds made available to or expended by Federal agencies and the entities that receive those funds. These standards are necessary to achieve the strategic reporting objective required by the law.

Most recently, OMB emphasized controls over award descriptions in OMB Memorandums [M-18-16](#) Appendix A to OMB Circular No. A-123, *Management of Reporting and Data Integrity Risk*, [M-18-24](#) *Strategies to Reduce Grant Recipient Reporting Burden*, and [M-20-21](#) *Implementation Guidance For Supplemental Funding Provided in Response to the Coronavirus Disease 2019 (COVID 2019)*. Specifically:

- OMB Memorandum M-20-21 reminds agencies that **“descriptions of awards should be in plain language.”**
- M-18-24 directs agencies to review data standards when they are published to ensure completeness and accuracy, and inclusion of critical distinctions in types of grants and recipients. This includes the award description.

- OMB Memorandum M-18-16 directs that agencies must have controls in place to assure the full disclosure of Federal funds are reported in accordance with the strategic objective of providing reliable information connecting financial information to awards for management decision making and for public accountability, **including controls to assure that award descriptions meet the standard of “[a] brief description of the purpose of the award.”¹**
- In order to ensure data quality and integrity, OMB Memorandum M-18-16 also directs agencies to have a DATA Act Data Quality Plan that includes a testing plan and identifies high-risk reported data. This includes specific data the agency determines to be high-risk that are explicitly referenced by the FFATA, as amended by the DATA Act, confirmation that these data are linked through the inclusion of the award identifier in the agency’s financial system, **and reported with plain English award descriptions.**

If you have questions regarding this alert please contact Natalie Rico (natalie.e.rico@omb.eop.gov).

NOTE: The Council of Inspectors General on Integrity and Efficiency’s Pandemic Response Accountability Committee (PRAC) has signaled that strong award descriptions are important to providing effective transparency to the public. As such, the PRAC has highlighted the following examples of award descriptions as effective or needs improvement.

The PRAC has shared the following examples of award descriptions as effective:

- PROJECT TITLE: KINGSTON CONNECTIVITY PROJECT, ULSTER COUNTY:::: PROJECT DESCRIPTION: CONSTRUCTION OF PEDESTRIAN & BICYCLE FACILITIES ON THE BROADWAY CORRIDOR. BROADWAY @ ST. JAMES ST- FOXHALL AVE. STREETScape IMPROVEMENTS & ENHANCEMENTS INCLUDING SIDEWALKS, CURBING, BIKE LANES, PED BUMPOUTS, LIGHTING,
- WE ARE DEVELOPING A BETTER WAY TO TIME GAMMA-RAY PULSARS USING INDIVIDUAL PHOTONS. LEVERAGING NEW TIMING SOFTWARE (PINT) AND MCMC OUR "BETA" CODE CAN TIME LAT PULSARS THAT WERE PREVIOUSLY IMPOSSIBLE. USING EACH PHOTON ALLOWS US TO DETECT SHORT-TERM EFFECTS (LIKE ORBITAL SHAPIRO DELAY) WHICH TRADITIONAL METHODS AVERAGE OUT. WE PROPOSE TO DEVELOP AND EXTEND THESE TECHNIQUES AND MAKE THE CODE AVAILABLE TO THE COMMUNITY. THIS WORK WILL IMPROVE GAMMA-RAY DETECTIONS FOR PULSARS WITH SHORT RADIO TIMING BASELINES OR SIGNIFICANT TIMING NOISE WILL MEASURE NEW PROPER MOTIONS AND MAY ALLOW US TO INCORPORATE THE BEST MSPS INTO GRAVITATIONAL WAVE SEARCHES. WE WILL UPDATE OUR EXISTING LAT TIMING PIPELINE (DOUBLING THE NUMBER OF TIMED PULSARS) AND PROVIDE UPDATED TIMING MODELS TO THE COMMUNITY.
- EXPLORING COGNITIVE AND FOUNDATIONAL PROCESSES UNDERLYING PRE-ALGEBRA AMONG STUDENTS WITH AND WITHOUT MATHEMATICS LEARNING DIFFICULTIES
- LEVITTOWN BEAUTY ACADEMY LLC CREATING DISTANCE EDUCATION FOR STUDENTS AFFECTED BY COVID-19. SCHOOL CANNOT USE PHYSICAL LOCATION AND STUDENTS ARE NOW DOING THEIR SCHOOL WORK ONLINE

¹ <https://www.whitehouse.gov/omb/management/office-federal-financial-management/>

The PRAC has shared the following examples of award descriptions as needing improvement:

- DE-MINING
- MICE SOLICITATION
- HIGH DUCTILITY MAGNESIUM ALLOY EXTRUSIONS
- STATE OF ARIZONA