



ACQUISITION  
AND SUSTAINMENT

## OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3000

MEMORANDUM FOR COMMANDER, UNITED STATES CYBER  
COMMAND (ATTN: ACQUISITION EXECUTIVE)  
COMMANDER, UNITED STATES SPECIAL OPERATIONS  
COMMAND (ATTN: ACQUISITION EXECUTIVE)  
COMMANDER, UNITED STATES TRANSPORTATION  
COMMAND (ATTN: ACQUISITION EXECUTIVE)  
INSPECTOR GENERAL OF THE DEPARTMENT OF  
DEFENSE  
DEPUTY ASSISTANT SECRETARY OF THE ARMY  
(PROCUREMENT)  
DEPUTY ASSISTANT SECRETARY OF THE NAVY  
(PROCUREMENT)  
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE  
(CONTRACTING)  
DIRECTORS, DEFENSE AGENCIES  
DIRECTORS, DEFENSE FIELD ACTIVITIES

SUBJECT: Updated Guidance for Reporting COVID-19 Related Actions to the Federal  
Procurement Data System

- References: (1) Defense Pricing and Contracting memorandum, "Reporting COVID-19  
Related Actions to the Federal Procurement Data System," March 31, 2020  
(2) Defense Pricing and Contracting memorandum, "Implementation Guidance for  
Section 3610 of the Coronavirus Aid, Relief, and Economic Security Act,"  
April 9, 2020  
(3) Office of Management and Budget memorandum, M-20-21 "Implementation  
Guidance for Supplemental Funding Provided in Response to the Coronavirus  
Disease 2019 (COVID-19)," April 10, 2020

To ensure both the transparency of the Department of Defense's (DoD's) COVID-19 pandemic response to the United States taxpayers, and the traceability of actions within the Department's procure-to-pay processes, it is critical that actions we execute are recorded correctly in the Federal Procurement Data System (FPDS). In addition to DoD use and oversight, this data is used by Congress, the Office of Management and Budget, and the Government Accountability Office, and is recorded in USASpending.gov, satisfying some of the reporting requirements of the Coronavirus Aid, Relief, and Economic Security (CARES) Act (see Reference 3). This memorandum serves to consolidate the reporting requirements for FPDS issued in References 1 and 2, as well as provide additional instruction. All references are provided as attachments to this memorandum.

As a reminder, all COVID-19 related contract, other transactions, and financial assistance actions must be reported to FPDS in the appropriate module. This includes (1) new awards to

acquire products or services, or to provide financial assistance as part of the federal response to the COVID-19 pandemic; (2) modifications and amendments to those new awards; and (3) modifications and amendments to existing awards due to the impacts of the pandemic. Users must follow these specific instructions for reporting COVID-19 related actions in the specified data elements. These instructions are provided in addition to the existing instructions for reporting in the Defense Federal Acquisition Regulation Supplement (DFARS) Procedures, Guidance, and Information (PGI), Other Transactions Guide, and DoD Grant and Agreement Regulations.

### **Contracts**

- In the National Interest Action (NIA) field, choose “COVID-19 2020.”
- In the Emergency Acquisition field, choose “Presidential Issued Emergency Declaration.”

### **Other Transactions & Financial Assistance (e.g., Grants, Cooperative Agreements)**

- Description of Requirement: Enter “COVID-19” in the field in addition to the actual description. As the Other Transactions reporting area does not include the NIA field, this entry is used to identify the action is related to the pandemic.

### **Contracts and Other Transactions**

- Product / Service Code (PSC): Choose the most appropriate PSC for what is being acquired. The Department is using the PSCs reported to help identify actions that may be expending funds related to CARES Act provisions under the broad categories established by the Comptroller. The list of mapped PSCs to the categories is available on the PSC Selection Tool website (<https://psctool.us>, under the Mappings section). Users are not restricted to only the mapped PSCs; users should choose the most appropriate for their award.
- Description of Requirement:
  - If the action is for a modification to an award to allow payments authorized by Section 3610 of the CARES Act (see Reference 2), enter “COVID-19 3610” in the field in addition to the actual description. Only use this designation for modifications implementing these specifically authorized payments.
  - If the action is for a modification to an award for the purpose of increasing cash flow to the Defense Industrial Base (DIB) using emergency flexibilities (e.g., progress payment rates, relaxing undefinitized contract action limitations, etc.) without impact to cost, schedule, or performance; enter “COVID-19 DIB” in the field, in addition to the actual description.

- If the modification both implements section 3610 and makes changes to increase cash flow, enter both designations.
- For Other Transactions, add “3610” or “DIB” to the “COVID-19” already entered, there is no need to repeat it.

**Contracts, Other Transactions, and Financial Assistance**

- Description of Requirements:
  - If the action is specifically placing a new or modified award or under the Defense Production Act (DPA) Title III program, enter “COVID-19 DPA3” in the field, in addition to the actual description. Only use this designation for actions under this program.
  - In all cases, enter a clear and concise description of what was acquired in the Description of Requirements data field. Be as specific as possible; for example, “Whenever possible, do not use acronyms or military jargon. If the action is a modification or amendment issued due to the effects of the pandemic, include a brief description of the purpose of the action (e.g., “extend period of performance” or “authorize telework”) in addition to the description of the requirement itself.
- Funding Agency: This refers to the agency providing the predominant amount of funding. If the predominant amount of funds being obligated on an action have been provided by a civilian agency (e.g., Federal Emergency Management Association, National Institutes of Health); ensure that agency is entered. This is a reminder of existing policy unrelated to the COVID-19 specific instructions.
- Place of Performance: Enter the correct location where the predominant performance will take place. For services, this is the predominant location where the services will be performed. For products, this is the predominant place where the items were manufactured or where procured finished items were issued. See DFARS PGI 204.606(3)(xi) for other specific instruction for contract actions. This is a reminder of existing policy unrelated to the COVID-19 specific instructions.

It is critical that components monitor the data reported to FPDS related to COVID-19 in addition to existing FPDS data validation and verification procedures. Recommend components review the list of FPDS contract action reports indicating COVID-19 on a no less than weekly basis. Incorrect entries must be corrected as soon as possible. Additionally, errors may indicate a need for more immediate training on the complexities of implementing sections of the CARES Act or other COVID-19 related policies.

The Procurement Business Intelligence Service (PBIS) is producing reports each business day of COVID-19 and COVID-19 3610 identified actions reported to FPDS. The data is current

with actions reported the previous day. PBIS user account request forms are found at <https://dodprocurementtoolbox.com/site-pages/pbis>. Additionally, these reports can be automatically emailed each morning to DoD users; contact Mr. Gary Wolanske ([gary.r.wolanske.civ@mail.mil](mailto:gary.r.wolanske.civ@mail.mil)) for more information. Because the data in these reports includes data delayed 90 days for public release for operational security; users are reminded that they should be treated as For Official Use Only.

Thank you for your attention to these matters. My point of contact for FPDS reporting and PBIS is Ms. Lisa Romney at 703-697-4396 or [janice.l.romney.civ@mail.mil](mailto:janice.l.romney.civ@mail.mil).

Kim Herrington,  
Acting Principal Director,  
Defense Pricing and Contracting

Attachments:  
As stated

cc:  
Under Secretary of Defense (Comptroller)



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(CONTRACTING)  
DIRECTORS OF THE DEFENSE AGENCIES  
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Reporting COVID-19 Related Actions to the Federal Procurement Data System

The unprecedented government response to the COVID-19 pandemic will result in a significant number of new awards for supplies and services, as well as modifications to existing awards. At this time it is especially crucial to accurately report these actions to the Federal Procurement Data System (FPDS) in a timely fashion. As you are aware, a new National Interest Action (NIA) code (P20C) was added to FPDS on March 13, 2020 so reported actions can be identified as related to COVID-19. Please use this code on all actions reported that are issued in response to the pandemic. Department leadership and external agencies will be using reports for this NIA code on a frequent basis to monitor the Department of Defense's (DoD's) response to the pandemic.

The NIA code tracks Federal Acquisition Regulation-based actions reported to FPDS; to identify the contracts affected. This information from FPDS should not be used to specifically track the types of funding used, nor the discrete amount of each. The DoD Comptroller is working with Service and Agency financial leadership to implement appropriate identification and tracking of the funds related to the pandemic response.

Please ensure when your workforce report COVID-19-related actions to FPDS that they (1) select "Presidential Issued Emergency Declaration" in the Emergency Acquisition data field; and (2) include clear and concise descriptions of what is being procured in the Description of Requirements data field. Please avoid using only acronyms or codes; use plain English descriptions as much as possible.

Additionally, the NIA data element is not available in FPDS for Other Transactions (OT) or in the Financial Assistance Award Data Collection module of FPDS for financial assistance actions (e.g., grants, cooperative agreements, etc.). If these types of awards are being used to

support the COVID-19 response, please ensure that "COVID-19" (in that specific format) is entered in the Description of Requirements data field, in addition to the description of the OT or financial assistance award. This will assist in identification of these actions.

Finally, an NIA report is available in the Procurement Business Intelligence Service (PBIS) at <https://reports-osd.altess.army.mil/analytics/saw.dll?bieehome> in the All of Government Contract Spend section. This PBIS report, available for DoD users, includes data from the last 90 days that is not available for the public at FPDS and USASpending. Users who need accounts for PBIS must complete a user account request found at <https://dodprocurementtoolbox.com/site-pages/pbis>.

Thank you for your attention to these matters. My action officer for FPDS reporting and PBIS is Ms. Lisa Romney at 703-697-4396 or [janice.l.romney.civ@mail.mil](mailto:janice.l.romney.civ@mail.mil).

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Kim Herrington,  
Acting Principal Director,  
Defense Pricing and Contracting



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(CONTRACTING)  
DIRECTORS, DEFENSE AGENCIES  
DIRECTORS, DEFENSE FIELD ACTIVITIES

SUBJECT: Implementation Guidance for Section 3610 of the Coronavirus Aid, Relief,  
and Economic Security Act

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was enacted on March 27, 2020, in response to the Coronavirus Disease 2019 (COVID-19) national emergency. Section 3610 of the CARES Act allows agencies to reimburse, at the minimum applicable contract billing rates (not to exceed an average of 40 hours per week), any paid leave, including sick leave, a contractor provides to keep its employees or subcontractors in a ready state, including to protect the life and safety of Government and contractor personnel, during the public health emergency declared for COVID-19 on January 31, 2020, through September 30, 2020. Contractors usually include employee leave in calculating their indirect rates. Therefore, leave is included in any fixed price, or labor hour rate (under Time and Materials or Labor Hour contracts), or as an element of cost on cost-reimbursement contracts. Deviation 2020-00013 establishes a new cost principle that will allow recovery of such costs where appropriate.

To ensure traceability, it is critical that the contract and supporting documentation clearly identify these costs for reimbursement paid to contractors under section 3610 authority, as well as how such costs are identified, segregated, recorded, invoiced, and reimbursed.

Implementation of section 3610 will vary based on contract type:

1. Under Fixed Price contracts (including those with incentive provisions), upon receipt of a request for equitable adjustment, the contracting officer will need to negotiate equitable adjustments to the price and delivery schedule to recognize the impact of any COVID-19 caused shutdowns. In the case of incentive contracts, this should be a separate fixed price line and not subject to the incentive structure. When the permissive authority under section 3610 is used, equitable adjustments should compensate only for the costs of providing paid leave as permitted by section 3610, for maintaining the workforce, and shall not increase profit. To the extent that the contractor workforce is shared across multiple contracts, contracting officers will need to coordinate on a reasonable allocation of costs, ideally through the administrative contracting officer. Contracting officers shall establish one or more separate contract line items for section 3610 COVID-19 payments to ensure traceability of expenditures and clarify whether payments under section 3610 constitute acceptance of the supplies or services that are not being delivered or performed.

A suggested approach is to create a line item or set of line items, such as "Labor Force Retention COVID-19," at a fixed price per appropriate unit of measure, e.g. "Hours" or "Days," exclusive of profit. Contractors should be able to distinguish all leave paid under these line items from actual hours worked, and submit a monthly invoice under these line items with the number of hours of eligible leave per labor category. The invoice should contain supporting documentation to identify and explain why claimed hours could not be worked, along with a statement that these costs are not being reimbursed under other authorities. The acceptor (i.e. contracting officer or designee) would then verify that the conditions exist and accept the effort under that line item. The "Invoice 2in1" fixed price service only, combined invoice and acceptance document in Wide Area WorkFlow, should be used to submit the request for payment.

2. Under cost-reimbursement contracts, the recommended approach is for costs to be charged to a separate account, such as "Other Direct Cost - COVID 19." Contracting officers will need to work with the contractor to establish appropriate cost procedures. Additional efforts will be needed to adjust the estimated costs, again by segregating these on a separate line item. The information on supporting documentation would be retained for audit, while the interim voucher would be provisionally approved and paid under existing procedures.
3. Under Time and Materials or Labor Hour contracts, creation of a separate line item for this reimbursement under section 3610 authority should enable segregation of these costs, upon receipt of a request for equitable adjustment. The information on supporting documentation would be retained for audit, while the interim voucher would be provisionally approved and paid under existing procedures.

4. Because contractors can only recover once for section 3610 covered impacts, when a contract has a mix of fixed price and cost type line items, recovery need not be addressed separately for each contract type. In most cases the cost reimbursement approach is preferable.

Proper administration and traceability of actions under section 3610 will require special attention to contracting procedures and contract administration by contracting officers, the Defense Contract Audit Agency (DCAA), and contracting officer's representatives (CORs). Specifically, contracting officers are reminded to ensure that they document the dates when the applicable conditions begin and end; the extent of the conditions; specific reasons why the CARES Act applies; impact on cost and pricing; and the effect on contract performance. Furthermore, CORs must use the Surveillance and Performance Monitoring Module of the Procurement Integrated Enterprise Environment to document actions impacting contract performance due to the COVID-19 pandemic. Contracting officers should work with the CORs to ensure, when accepting services under fixed price contracts, CORs only accept completed services, as section 3610 does not allow acceptance of services that have not been delivered.

DCAA has oversight of billings under cost-reimbursement, time and materials, and labor hour line items. Contracting officers must include instructions on the proper type of payment request to be used as set forth in Defense Federal Acquisition Regulation Supplement (DFARS) 252.232-7006 Wide Area WorkFlow Payment Instructions (December 2018). Note that this version of DFARS 252.232-7006 eliminates the possibility of confusion about which type of payment request to use for cost-reimbursement line items. This policy change was designed to ensure that the contract auditor has visibility of the contract billings and is able to address the impact of the contractor's controls in ensuring that these costs are properly billed. CORs should continue to monitor the billings and notify the contract auditor of any concerns.

Remember, section 3610 is contingent upon the availability of funds and no adjustment to the contract or approval of a request for equitable adjustment should be made without sufficient funds. Contractors bear the burden of supporting any claimed costs, including claimed leave costs for their employees, allocated appropriately against individual contracts, with appropriate documentation and identifying credits that may reduce reimbursement.

To identify actions against contracts and other transactions, allowing payments authorized by section 3610, report them to the Federal Procurement Data System and enter "COVID-19 3610" at the beginning of the Description of Requirements data field on the contract action report (CAR). These CARs must also include the National Interest Action designation for identifying all COVID related actions (COVID-19 2020).

As additional information is available, updates will be provided to the Frequently Asked Questions document for Section 3610 of the CARES Act at <https://www.acq.osd.mil/dpap/pacc/cc/COVID-19.html>.

My point of contact for policy is Mr. Greg Snyder, gregory.d.snyder.civ@mail.mil; for pricing is Ms. Sara Higgins, sara.a.higgins2.civ@mail.mil; and for Wide Area Work Flow is Mr. Bruce Propert, david.b.propert2.civ@mail.mil.

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Kim Herrington,  
Acting Principal Director,  
Defense Pricing and Contracting



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

April 10, 2020

M-20-21

MEMORANDUM FOR THE HEADS OF DEPARTMENTS AND AGENCIES

FROM: Russell T. Vought  
Acting Director

SUBJECT: Implementation Guidance for Supplemental Funding Provided in Response to the Coronavirus Disease 2019 (COVID-19)

The Federal Government's aggressive response to the coronavirus disease 2019 (COVID-19) includes an unprecedented economic relief package for Americans in need. A series of laws, including the Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (Public Law 116-123), the Families First Coronavirus Response Act (FFCRA; Public Law 116-127), and the Coronavirus Aid, Relief, and Economic Security (CARES) Act (Public Law 116-136), provide direct economic relief to the American people, including individuals and small businesses, while providing health care resources to the front line battles where medical professionals are fighting the virus and defending the lives of Americans.

Time is of the essence, and the Administration is committed to the rapid delivery of these funds to the COVID-19 relief and response efforts.<sup>1</sup> At the same time, spending transparency and regular reporting will provide important accountability mechanisms to help safeguard taxpayer dollars.

This Memorandum directs agencies to leverage and continue to employ existing financial transparency and accountability mechanisms wherever possible. In balancing speed with transparency, agencies are to consider the three core principles below:

- Mission achievement – Federal managers and recipients at all levels should use data and evidence to achieve program objectives;
- Expediency – Agencies should rapidly issue awards and fund programs to meet crucial needs; and
- Transparency and accountability – Agencies must report information on awards to provide the public with information in a clear, accurate, and timely manner.

<sup>1</sup> For purposes of this Memorandum, "COVID-19 relief and response" refers to the Federal Government's response to the national public health emergency declared by the Secretary of Health and Human Services as a result of confirmed cases, retroactive to January 27, 2020, pursuant to section 319 of the Public Health Services Act (42 U.S.C. § 247d).

Additional guidance providing further details related to implementation of COVID-19 relief and response efforts will be forthcoming, as needed. Questions related to this guidance can be directed to [coronaresponse@omb.eop.gov](mailto:coronaresponse@omb.eop.gov).

## I. Mission Achievement

The Office of Management and Budget (OMB) is working closely with agencies to develop plans to implement the COVID-19 relief legislation. Agencies are directed to work with their Resource Management Offices (RMOs) to identify key program design questions that must be resolved to execute spending plans. Agencies should document expected new processes, identify intended outcomes, and label key risk areas, working with their Evaluation Officers and Performance Improvement Officers.

Federal agencies are providing COVID-19 relief funds to recipients including individuals and businesses through a variety of programs. To the extent these programs overlap among common recipients, agencies should take additional steps to ensure the integrity of these payments, reduce burden on recipients, and promote operational efficiency.

Agencies need to manage these new funds and awards consistent with their respective mission performance objectives and plans. Agencies also must incorporate reporting of performance on COVID-19 relief funding into their established mission performance plans and reports, and must review progress as part of their performance, evidence-building and enterprise risk management routines to the maximum extent possible, consistent with guidance included in OMB Circulars A-11 and A-123. Specifically, agency Deputy Secretaries or Chief Operating Officers must review at least quarterly the progress made on program performance under the COVID-19 relief legislation.

Each agency must report monthly to OMB and others<sup>2</sup> on any obligation or expenditure of “large covered funds,”<sup>3</sup> including loans and loan guarantees, awards, pursuant to section 15011(b) of the CARES Act, as describe in Appendix A. In addition, OMB, together with the Council of Economic Advisors, the Department of the Treasury, and the Small Business Administration, is required by section 15011(c)(1) of the CARES Act to provide quarterly reports that detail the effect of COVID-19 relief funds on employment, estimated economic

<sup>2</sup>Under section 15011(b) of the CARES Act, agencies must also report to the Bureau of the Fiscal Service in the Department of the Treasury, the new Pandemic Response Accountability Committee (PRAC), and the applicable Congressional committees.

<sup>3</sup> OMB understands “large covered funds” to mean the following:

- (1) any funds made available in any form (e.g., grant, cooperative agreement, contract, loan, loan guarantee, award, or other mechanism);
- (2) to any non-Federal entity, not including an individual;
- (3) where the award amount exceeds \$150,000; and
- (4) the appropriation supporting the award was provided by any supplemental appropriations Act for coronavirus response and related activities, including but not limited to the CARES Act (Public Law 116-136), the second supplemental (FFCRA) (Public Law 116-127), and the first coronavirus supplemental (Public Law 116-123).

See sections 15011(a)(3) (defining “large covered funds” in reference to “covered funds”) and 15010(a)(6) (defining “covered funds”).

growth, and other key economic indicators, including information about impacted industries. OMB anticipates that in most instances, centrally available economic data will provide sufficient information for OMB to prepare these quarterly reports without the need for recipients of relief funds to report the estimated number of jobs created or retained by a project or activity. OMB may request more frequent reporting requirements as needed.

## II. Expediency in Awarding Funds to Meet Crucial Needs

To date, OMB has issued express guidance to agencies on exercising emergency-related flexibilities for procurement<sup>4</sup> and financial assistance<sup>5</sup> that agencies should leverage to speed the award and payment process for the new relief funds. Agencies must continue to use standard best practices that include the internal controls necessary for prudently planning for, awarding, and managing contracts, grants, loans, and other forms of assistance. Where the new relief legislation requires agencies to undertake new or modify existing activities that affect payments, agencies are to balance the imperatives of expediency and good stewardship. Agencies should prioritize the following considerations in their implementation:

- a. Ensuring that qualified, skilled, and appropriately trained personnel are overseeing awards made under the new relief legislation;
- b. Streamlining regulations and internal processes, including issuing waivers and delegating decision-making where appropriate to empower managed risk-taking and innovative thinking;
- c. Balancing the need for competition with timely execution of funding;
- d. Balancing the need for expediency with steps to mitigate risk of fraud, waste, abuse, and improper payments;
- e. Ensuring that resources go to evidence-based programs whenever possible; and
- f. Regularly communicating with and encouraging coordination among state and local governments, tribes, and nonprofit entities for financial assistance, which OMB can facilitate.

## III. Transparency and Accountability

Accurately recording and tracking funding for awards made under the new relief legislation is essential to providing relief to citizens and businesses, facilitating oversight, and creating accountability for results. Agencies should continue to apply sound data management principles to make evidence-based decisions, protect information as appropriate, and provide open data for analysis and public use. Descriptions of awards should be in plain language,

<sup>4</sup> OMB, M-20-18, *Managing Federal Contract Performance Issues Associated with the Novel Coronavirus (COVID-19)* (March 20, 2020), available at <https://www.whitehouse.gov/wp-content/uploads/2020/03/M-20-18.pdf>.

<sup>5</sup> OMB, M-20-20, *Repurposing Existing Federal Financial Assistance Programs and Awards to Support the Emergency Response to the Novel Coronavirus (COVID-19)* (April 9, 2020), available at <https://www.whitehouse.gov/wp-content/uploads/2020/04/M-20-20.pdf>; OMB, M-20-17, *Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) due to Loss of Operations* (March 19, 2020), available at <https://www.whitehouse.gov/wp-content/uploads/2020/03/M-20-17.pdf>; and OMB, M-20-11, *Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19)* (March 9, 2020), available at <https://www.whitehouse.gov/wp-content/uploads/2020/03/M-20-11.pdf>.

consistent with the Federal Acquisition Regulation (FAR) and existing OMB guidance.

Agencies must have processes to ensure that the data reported is of sufficient quality for public reporting and internal decision-making purposes. OMB will seek to minimize the burden on agencies by leveraging existing data and reporting tools to collect and present information, and providing information to agencies on existing data quality guidance and responsibilities.

Offices of Inspectors General (OIGs) should be developing plans to leverage their new surge of resources to prevent and detect waste, fraud, and abuse related to agency implementation of the relief legislation. The OIG community and the newly created Pandemic Response Accountability Committee (PRAC) should also work closely with OMB and the agencies to coordinate COVID-19-related oversight efforts, leverage available technology to minimize burden and duplicate efforts, and re-prioritize lower priority audit work to allow agencies and OIGs to better support higher priority COVID-19 work. See Appendix A for more details on reporting instructions and Appendix B for a consolidated timeline of requirements.

#### IV. Adjustments to Current Agency Reporting Deadlines

Given the significant surge in resource demands on agencies to respond rapidly to the COVID-19 crisis and immediately implement the relief legislation, OMB is requesting that agencies assess the need to adjust existing reporting and audit deadlines over the next 60 days, using a risk-based framework that considers the need to balance existing statutory and regulatory compliance requirements with the surge in new workload associated with the COVID-19 crisis. Operating in this environment will require the reprioritization of work to continue supporting a more resilient Government and to meet competing demands based on risk-based prioritization. OMB is working with agencies to grant relief from OMB-established deadlines. OMB asks that agencies work closely with the Department of the Treasury, Offices of Inspectors General, the Government Accountability Office, and other stakeholders on how best to prioritize agency work and obtain temporary extensions in reporting and other requirements, as appropriate, over the next 60 days.

OMB Memorandum M-20-04, Fiscal Year 2019-2020 Guidance on Federal Information Security and Privacy Management Requirements, requires most agencies to report quarterly on their information security programs in accordance with the Federal Information Security Modernization Act of 2014 (FISMA). Because the COVID-19 national emergency may disrupt the ability of agencies to report, OMB is pausing the fiscal year (FY) 2020 Quarter 2 FISMA Chief Information Officer metric collection until further notice.

Additionally, the FY 2020 Quarter 1 Quarterly Priority Goal Reporting required by the Government Performance and Results Modernization Act is being merged with the FY 2020 Quarter 2 (Q2) performance update. Agencies and Cross-Agency Priority Goal Teams therefore should update their FY 2020 Q2 Implementation Action Plans to summarize all progress achieved to date, and milestones accomplished through Q2. See OMB Circular A-11, section 200, for the submission and publication timeline for the FY 2020 Q2 Quarterly Performance Update.

## Appendix A

**Agency Reporting Instructions for COVID-19-Related Funding**

The guidance below describes the steps agencies should take to implement the requirements of Sections 15010 and 15011 of the CARES Act. These sections require Federal agencies and recipients to report on the use of covered funds, agencies in coordination with OMB to provide user-friendly means for recipients to meet these requirements, and the PRAC to leverage existing technology and resources to the greatest extent practicable to meet the requirements of these sections. OMB looks forward to coordinating with the PRAC to efficiently implement these requirements.

This guidance allows agencies and recipients to meet the CARES Act reporting requirements by utilizing, with minimal modifications, existing reporting requirements within agency financial systems and existing reporting processes under the Federal Funding and Transparency Act (FFATA), as amended by the Digital Accountability and Transparency Act (DATA Act). Once agencies have met the requirements described below, information required to be reported by both agencies and recipients should be publicly available on USASpending.gov. OMB does not expect that additional reporting by agencies or recipients should be necessary to meet the requirements of these sections of the statute.

I. Expand Usage of the Disaster Emergency Fund Code for Tracking COVID-19 Supplemental Funding

OMB previously issued Memorandum [M-18-08](#), Guidance on Disaster and Emergency Funding Tracking (February 2, 2018). This memorandum requires agencies to track spending of amounts designated in appropriations Acts as emergency or for disaster relief pursuant to section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, (BBEDCA) or from accounts that received such amounts via non-expenditure transfer. Agencies report within the Government-wide Treasury Account Symbol Adjusted Trial Balance System (GTAS) a DEFC attribute, either classifying funding as non-emergency or non-disaster designated appropriations, or with a unique DEFC value that OMB provides for other specific appropriation act and designation. This existing requirement has helped increase transparency about the status of funds designated as emergency or for disaster relief and has eliminated any need for OMB to conduct time-consuming, ad hoc data calls.

The guidance in M-18-08 did not extend to a significant portion of the funding provided in the CARES Act since it did not meet the designation requirements. This guidance amends the requirement in M-18-08 to use a unique DEFC value to include covered funds in the CARES Act that are not designated as emergency pursuant to BBEDCA, in order to provide similar transparency for CARES Act funding.

Agencies should work with their OMB representative to identify situations where a DEFC value cannot be used to track spending provided in the CARES Act, or if they identify cases where funding provided in the COVID-19 supplementals are not being centrally tracked. Some provisions in the new legislation, such as certain provisions that affect spending in mandatory entitlement programs or extend current law, may be excluded from this requirement.

In these instances, agencies should work with their OMB representative to identify an alternative reporting approach to provide transparency on how the funds are spent.

Agencies should use the following DEFC codes for COVID-19 supplemental funding:

- DEFC “L” – PL 116-123, designated as emergency
- DEFC “M” – PL 116-127, designated as emergency
- DEFC “N” – PL 116-136 (CARES Act), designated as emergency
- DEFC “O” – PL 116-136 (CARES Act), not designated as emergency
- DEFC “Q” – Excluded from tracking, continue to use (non-emergency/non-disaster designated appropriations).

OMB will provide further unique DEFC values for any future COVID-19 relief appropriations designated as emergency or for disaster relief. OMB will work with agencies separately on other mechanisms that may be used to identify agency spending related to COVID-19 relief that is derived from base funding.

## II. Extending DEFC Requirements to Data Provided for USASpending.gov

USASpending.gov provides detailed spending data for nearly all accounts across the Federal Government. With the inclusion of the DEFC attribute in agency DATA Act reporting, information on covered funds will be available by obligation and expenditure at the award level so that the American public will be have insight into how COVID-19 relief funds were spent. This process provides low-burden transparency into how COVID-19 relief funds have been distributed, thus increasing accountability at multiple levels and reducing the likelihood of waste, fraud, and abuse, and provides a user-friendly mechanism for agencies and recipients to meet their financial reporting requirements under sections 15010 and 15011 of the Act.

Agencies are required to report financial and award data to USASpending.gov via the DATA Act broker. These submissions include summary financial data (“File A”), obligation and outlay data by program activity and budget object class (“File B”), and summary award-level obligation data (“File C”). Effective for the June 2020 reporting period, all agencies are required to add the DEFC attribute to Files B and C.

In Files B and C, agencies must include the following DEFC domain values in their reporting for the COVID-19 relief emergency supplemental appropriations: “L” (Public Law 116-123), “M” (Public Law 116-127), “N” and “O” (Public Law 116-136). Any future COVID-19 relief funding receiving a unique DEFC domain value should also be included in the DATA Act submission files. Agencies are not required to supply other DFEC domain values at this time, including “Q”. For funding that does not have a COVID-19-related domain value, agencies should report a blank value in the DEFC field. All agencies who have determined they are subject to DATA Act reporting are required to implement the addition of the DEFC attribute for their DATA Act submissions. This includes agencies who have not received COVID-19-related funds.

### III. New Monthly and Outlay Reporting Requirements on Financial Data Spending for USASpending.gov

The exceptional nature of the COVID-19 relief funding and the requirements of the CARES Act require a greater frequency and comprehensiveness of reporting to provide required transparency to the public. Monthly reporting, as required by statute, will also allow for greater Executive branch oversight of spending related to covered funds.

Effective for the June 2020 reporting period, agencies with COVID-19 relief funding must submit DATA Act Files A, B and C on a monthly basis. Files B and C must include all Treasury accounts containing a COVID-19-related DEFC domain value in the agencies' GTAS submission for that period. These submissions must also include a running total of outlays<sup>6</sup> for each award in File C for all records containing a DEFC domain value. To support this new requirement, all agencies that are not currently reporting within two weeks of issuance of an award must now report financial assistance awards (File D2) to USASpending.gov within two weeks of issuance.<sup>7</sup> Monthly submissions of Files A, B and C must be certified by the DATA Act Senior Accountable Official or financial representative designee for COVID-19 related funding. Beginning in FY 2022 Q1, all agencies, including those without COVID-19 spending, must begin reporting Files A, B, and C to USASpending.gov on a monthly basis, including outlay data in file C, for all Treasury accounts reportable under DATA Act. To support agencies' timely submission of the above requirements, OMB is working with the Department of the Treasury to provide more detailed information on broker updates and appropriate user-friendly displays.

### IV. Program Activity Reporting

As described in OMB Circular A-11, the program activity data element is a key organizing component that connects budget and funding requests as part of a coordinated strategy to achieve goals and objectives. To better achieve the objectives of both the DATA Act and the COVID-19 relief legislation, for all spending and activities related to COVID-19 relief and non-COVID-19 relief, agencies must include "Program Activity" in File C for the FY 2021 Quarter 1 submission date.<sup>8</sup> This instruction strengthens the connection across budget, spending, award, performance information, and other results to be displayed on USASpending.gov, supports Federal programs as they coordinate across agencies, and helps identify opportunities for improved coordination across Federal programs and activities. This approach also reinforces the Federal Performance Framework and Evidence Act's focus as a management system that coordinates and aligns a broader complement of financial and programmatic data to enable improved decision-making, accountability, and transparency in the Federal Government.

<sup>6</sup> In File C, agencies currently have the option to report on a quarterly basis the GrossOutlayAmountByAward\_CPE. Agencies will now be required to provide each GrossOutlayAmountByAward\_CPE on a monthly basis (i.e. "this award had this much outlaid, year to-date, this month") for each Federal award with outlay activity and to break down each GrossOutlayAmountByAward\_CPE by Treasury Account Symbol (TAS), Program Activity, Object Class, and DEFC.

<sup>7</sup> This new requirement does not apply to loan reporting.

<sup>8</sup> Waivers may be granted for up to one year, or longer at the OMB Director's discretion.

V. Management of Reporting and Data Integrity Risk Related to COVID-19 Response Funding

Spending data that is consolidated in an interoperable and consistent format provides transparency to taxpayers, while also enabling Federal leaders to make informed decisions. OMB previously outlined these principles in [Memorandum M-18-16 \(revising Appendix A of Circular A-123\) \(June 6, 2018\)](#). The quality of the information published on USASpending.gov relies on agencies having effective Internal Controls Over Reporting (ICOR) for the input and validation of the data they submit. Agencies must balance their new objectives under the COVID-19 relief legislation to provide immediate relief with the institutional need to provide complete, accurate, and timely reporting on relief funding.

Consistent with the CARES Act and this Memorandum, existing agency data quality procedures, including those in the FAR for procurement, are sufficient for agencies to identify and assess risks to reporting objectives and regulatory requirements over data quality for defined areas, as these risks relate to agency spending data on COVID-19 response and related activities to be reported to USASpending.gov. To that end, and in order to meet the reporting objectives of the CARES Act, agencies should continue to leverage the existing requirements in M-18-16 for Data Quality Plans until they expend their funds related to the COVID-19 response.

VI. National Interest Action Code for Procurement

On March 13, 2020, a National Interest Action (NIA) code (P20C) was added to the Federal Procurement Data System to help identify procurement actions related to COVID-19 response. To promote full, clear, and consistent transparency in the tracking of COVID-related procurement actions, agencies are directed to assign this NIA code to all procurement actions reported into FPDS that are issued in response to the pandemic. This includes new awards for supplies and services as well as modifications that are issued to address COVID-19, irrespective of whether the contract being modified was originally awarded to address COVID-19. The code should also be used in connection with any procurement authority, including but not limited to special emergency procurement authorities identified under FAR Subpart 18.2. (Note: This guidance modifies and supersedes guidance provided in Question 11 of OMB Memorandum M-20-18, [Managing Federal Contract Performance Issues Associated with the Novel Coronavirus \(March 20, 2020\)](#).)

VII. Agency Requirements to Capture Reporting of Purchase Card Use

Tracking and reporting spending related to the COVID-19 response is critical to the success of the economic relief provided to Americans. This responsibility extends to all spending, including micro-purchases transacted on purchase and integrated cards. Effective with the issuance of this Memorandum, OMB hereby instructs agencies using the General Services Administration's (GSA's) SmartPay® program must identify relevant transactions in their servicing bank's Electronic Access System (EAS) during the reconciliation process by adding "COVID" as the identifier for transactions. Agencies not using an EAS must apply the "COVID" identifier to appropriate transactions in internal systems in anticipation of providing such information as requested by OMB. GSA is developing training and additional instructions to facilitate data capture in anticipation of future reporting.

## Appendix B

Timeline and requirements

Reporting Requirement	This applies to	Timeline
P.L. 116-123, Emergency: DEFC value "L"	Existing reporting requirement for accounts designated as emergency.	Currently reported to GTAS.
P.L. 116-127, Emergency: DEFC value "M"	Existing reporting requirement for accounts designated as emergency.	Currently reported to GTAS.
P.L. 116-136, Emergency: DEFC value "N"	Existing reporting requirement for accounts designated as emergency.	Currently reported to GTAS.
P.L. 116-136, Non-emergency: DEFC value "O"	Most accounts that received non-emergency funding in the CARES Act.	Immediately. Aligned with GTAS reporting windows.
Outlays in DATA Act File C (a running total of outlays by award)	All agencies subject to DATA Act reporting required to report under the CARES Act provisions.	DATA Act Q3 reporting schedule will not change, which is to include outlays for FY 2020Q3. Monthly reporting will begin in July for the month of June. Monthly submission will align to the GTAS reporting schedule. Agencies will not report outlays in Files A and B for Period 1.
Monthly Reporting for DATA Act Files A, B and C , including all DEFC values in Files B and C	All agencies subject to DATA Act reporting required to report under the CARES Act provisions.	DATA Act Q3 reporting schedule will not change, which is to include the DEFC code for FY 2020 Q3. Monthly reporting will begin in July for the month of June. Monthly submission will align to the GTAS reporting schedule.
DEFC Code in DATA Act Files B and C, including DEFC values "L" through "O" and subsequent COVID-19-related values	All agencies subject to DATA Act reporting.	No later than with the monthly June 2020 DATA Act submission.
Twice monthly reporting Files D2	All agencies subject to DATA Act reporting.	No later than with the monthly June 2020 DATA Act submission.
Program Activity in DATA Act File C	All agencies subject to DATA Act reporting	FY2021 Q1
Monthly Reporting for DATA Act Files A, B, and C	All agencies subject to DATA Act reporting.	FY 2022 Q1
Outlays in DATA Act File C	All agencies subject to DATA Act reporting.	FY 2022 Q1
NIAC	Consistent with the FAR and OMB guidance, agency procurement actions supporting COVID-19.	Through duration of NIA designated reporting period, directly in FPDS.
Purchase Cards	All agencies required to report under the CARES Act provisions.	Monthly submission will align to the GTAS reporting schedule.