



Department of Transportation
Office of the Senior Procurement Executive
Financial Assistance Policy and Oversight Division

No. FAPL- 2020-04
Date 6/15/2020

FINANCIAL ASSISTANCE POLICY LETTER

This Office of the Senior Procurement Executive Policy Letter is issued under the authority of the Senior Procurement Executive of the Department of Transportation

Subject:

Memorandum from the Office of Management and Budget (M-20-21), Implementation Guidance for Supplemental Funding in Response to the Coronavirus Disease (COVID-19).

References:

- Office of Management and Budget (OMB) Memorandum for the Heads of Executive Departments and Agencies, M-20-21, “*Implementation Guidance for Supplemental Funding in Response to the Coronavirus Disease (COVID-19)*,” dated April 10, 2020.
- Office of Management and Budget (OMB) Memorandum for the Heads of Executive Departments and Agencies, M-20-20, “*Repurposing Existing Financial Assistance Programs and Awards to Support the Emergency Response to the Novel Coronavirus (COVID-19)*” dated April 9, 2020.
- Office of Management and Budget (OMB) Memorandum for the Heads of Executive Departments and Agencies, 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*,” dated March 19, 2020.
- Office of Management and Budget (OMB) Memorandum for the Heads of Executive Departments and Agencies, M-20-11, “*Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19)*,” dated March 9, 2020.
- 2 CFR 200 – “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.”

When is this Financial Assistance Policy Letter (FAPL) Effective?

The Office of the Senior Procurement Executive Policy Letter is effective immediately.

When Does This FAPL Expire?

The guidance provided by OMB is not time limited.

Who is the Point of Contact?

Contact Audrey Clarke, Associate Director, Office of the Senior Procurement Executive, Financial Assistance Policy and Oversight Division, at 202-366-4268 or by email at: audrey.clarke@dot.gov.

What is the Purpose of this FAPL?

The OMB 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.

DOT Agencies are authorized to take the actions outlined in the memo, as they deem appropriate, and to the extent permitted by law, with respect to the guidance issued by OMB.

What is the Background?

As with previous natural disaster or public health emergency declarations, OMB has worked with Federal Agencies to determine where affected applicants and recipients may be provided some short-term relief from administrative, financial management and audit requirements on financial assistance awards.

What is the Guidance?

Attached to this policy letter is the link to the OMB guidance that directs agencies to leverage and continue to employ existing financial transparency and accountability mechanisms wherever possible. The guidance included also describes the steps agencies should take to implement the requirements of Sections 15010 and 15011 of the CARES Act. As an agency takes any of the actions, the following should be considered:

- Financial assistance program staff shall consult with their Resource Management Offices (RMOs), and the Office of the General Counsel or their Operating Administration's Office of the Chief Counsel, as applicable, to identify key program design questions that must be resolved to execute spending plans.
- New funds and awards must be managed consistent with the agencies' respective mission performance objectives and plan. 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. Agencies should document expected new processes, identify intended outcomes, and label key risk areas, working with their Evaluation Officers and Performance Improvement Officers.
- Agencies must have processes to ensure that the data reported is of sufficient quality for public reporting and internal decision-making purposes.
- DOT Operating Administrations should note that OMB M-20-21 increases the frequency that agencies are required to report to USASpending.gov through the Financial

Assistance Broker Submission (FABS). Currently the DAIMS Practices and Procedures states that agencies shall make every effort to publish any available data by the 5th of each month and ensure that prior month data is published completely no later than the 20th of the current month. OMB M-20-21 requires DATA Act reporting agencies to increase the FABS (File D2) reporting frequency to twice monthly beginning no later than June 2020.

Memorandum M-20-21, and its Appendices can be found at <https://www.whitehouse.gov/wp-content/uploads/2020/04/Implementation-Guidance-for-Supplemental-Funding-Provided-in-Response.pdf>. Additional guidance from OMB providing further details related to the implementation of COVID-19 relief and response efforts will be forthcoming, as needed.

Willie H. Smith,
Senior Procurement Executive