



**PANDEMIC RESPONSE
ACCOUNTABILITY COMMITTEE**

INCREASING TRANSPARENCY INTO COVID-19 SPENDING

OCTOBER 20, 2021



Background

In March 2020 the Coronavirus Aid, Relief, and Economic Security (CARES) Act created the Pandemic Response Accountability Committee (PRAC) to promote transparency and conduct and support oversight of pandemic-related funds and the response to the Coronavirus pandemic (COVID-19).

The objective of this review was to identify specific gaps in transparency in award data for federal assistance spending in response to COVID-19. We conducted the review in accordance with the Quality Standards for Inspection and Evaluation issued by the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

The CARES Act, the American Rescue Plan Act, and other related pandemic relief legislation provided more than \$5 trillion to support the nation's response to COVID-19. Included in the legislation are numerous provisions designed to promote transparency and accountability in pandemic spending.

[Section 15010 of the CARES Act](#) requires the PRAC to maintain a public website (PandemicOversight.gov) to provide—among other things—detailed data on any federal government awards that expend covered funds¹ over \$150,000. The reported data was to include data elements required under the Federal Funding Accountability and Transparency Act of 2006 (FFATA), as amended by the Digital Accountability and Transparency Act (DATA Act), and data at the subgrant and subcontract level.

Section 15011 of the CARES Act requires agencies to report on a monthly basis any obligations or expenditures of awards over

\$150,000. The CARES Act also contains requirements for recipient reporting, similar to those established during the American Recovery and Reinvestment Act of 2009 (ARRA). Specifically, on a quarterly basis, recipients of awards over \$150,000 (large covered funds) are required by statute to report:

- The total amount of large covered funds received from the agency;
- The amount of large covered funds received that were expended or obligated for each project or activity;
- A detailed list of all projects or activities for which large covered funds were expended or obligated, including the name and description of the projects or activities;
- The estimated number of jobs created or retained; and
- Detailed information on any level of subcontracts or subgrants, to include the data elements required to comply with FFATA.

Following passage of the CARES Act, the Office of Management and Budget (OMB) issued Memorandum M-20-21, *Implementation Guidance for Supplemental Funding Provided in Response to the Coronavirus Disease 2019 (COVID-19)*. The guidance allows agencies and recipients to meet the CARES Act reporting requirements using the existing agency reporting processes under the FFATA and the DATA Act.

The guidance also requires agencies to track COVID-19 relief spending by Disaster Emergency Fund Codes (DEFC). OMB Memo M-20-21 details the role of the DEFC code: “With

¹ Section 15010(a)(6) of the CARES Act defines “covered funds” as any funds, including loans, that are made available in any form to any non-Federal entity, not including

an individual, under the CARES Act and other pandemic relief legislation.

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 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.”

The OMB memo also stipulated that once agencies have met these requirements, the information reported by agencies and recipients should be publicly available on USAspending.gov.

USAspending.gov is the official source for spending data for the U.S. Government. In general, federal spending data flows to USAspending.gov based on the reporting requirements in FFATA and the DATA Act. The DATA Act requires OMB and the U.S. Department of the Treasury (Treasury), in consultation with federal agencies, to establish government-wide data standards that, to the extent reasonable and practicable, produce consistent, comparable, and searchable spending data for any federal funds made available to or expended by federal agencies. The DATA Act also requires OMB and Treasury to ensure that the standards are applied to the data made available on USAspending.gov.

The federal government provides a broad range of assistance to the American public in various areas, such as education, health care, research, infrastructure, economic development, and others—through grants, loans, scholarships, insurance, and other types of financial assistance. Each assistance program has a title and unique number, called an Assistance Listing (previously called a Catalog of Federal Domestic Assistance (CFDA) Number), that follows the program throughout the lifecycle for data and funding transparency. For example, the Supplemental Nutrition Assistance Program, operated by the U.S. Department of Agriculture, is Assistance Listing number 10.551. Additionally, FFATA and the DATA Act require data reporting, based on the Assistance Listing number of the federal financial assistance, and this reporting is done through USAspending.gov.

For transparency in pandemic spending, USAspending.gov created a COVID-19 Spending web page to capture the journey of COVID-19 dollars from appropriation to obligation and outlay by federal agencies, allowing users to see who received funding, which agencies spent the funds, which programs were funded, and more.

The data submitted to USAspending.gov is particularly important to achieving the CARES Act transparency requirements. Foremost among these is the award description field, which is designed to provide a plain language description of the purpose of the federal assistance award.

Finding No. 1: Agencies Are Inconsistent in How They Interpret and Apply OMB Guidance for Award Descriptions.

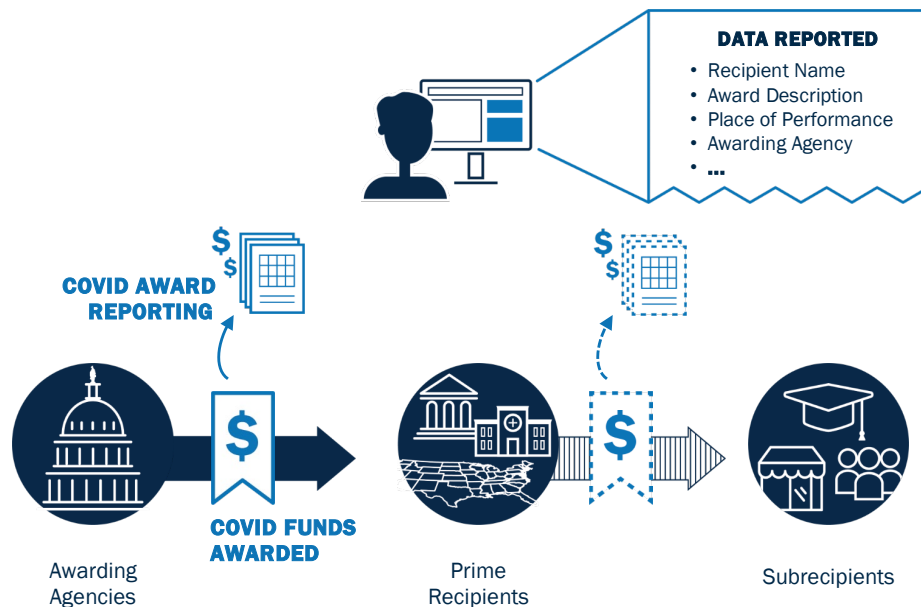


Figure 1 – Example of how COVID-19 funding flows from awarding agencies to prime recipients and to subrecipients for federal assistance programs. With each award, the awarding agency (for prime awards) and the prime recipient (for sub-awards) reports information regarding the purpose of the award, along with other award details.

The PRAC found that agencies differ in how they interpret and apply OMB guidance for the award description field. As a result, data on USAspending.gov are not always comparable, and in many cases, users will have difficulty understanding the purpose of an award based on the award description field.

In November 2020, OMB released OMB Memorandum M-21-03, *Improvements in Federal Spending Transparency for Financial Assistance*, emphasizing the requirements that agencies:

- develop award descriptions that avoid acronyms or federal- or agency-specific terminology, and
- include the purpose of the award along with specific performance goals, indicators, milestones, or expected outcomes, and intended beneficiary or recipient of the funds.

In this guidance, OMB states, “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.” In other words, OMB is reminding agencies to avoid re-using text from other award data fields (such as the Assistance Listing field) in the award description field.

Our review of the award description data in USAspending.gov for pandemic assistance programs identified approximately 12,600 awards totaling approximately \$11.6 billion where the award description simply matched the Assistance Listing name. In addition to being non-complaint with OMB guidance, re-using the Assistance Listing name in the award description field is both redundant and offers no additional information regarding the intent or purpose of each award. Of the 12,600 awards, more than 9,900 awards totaling

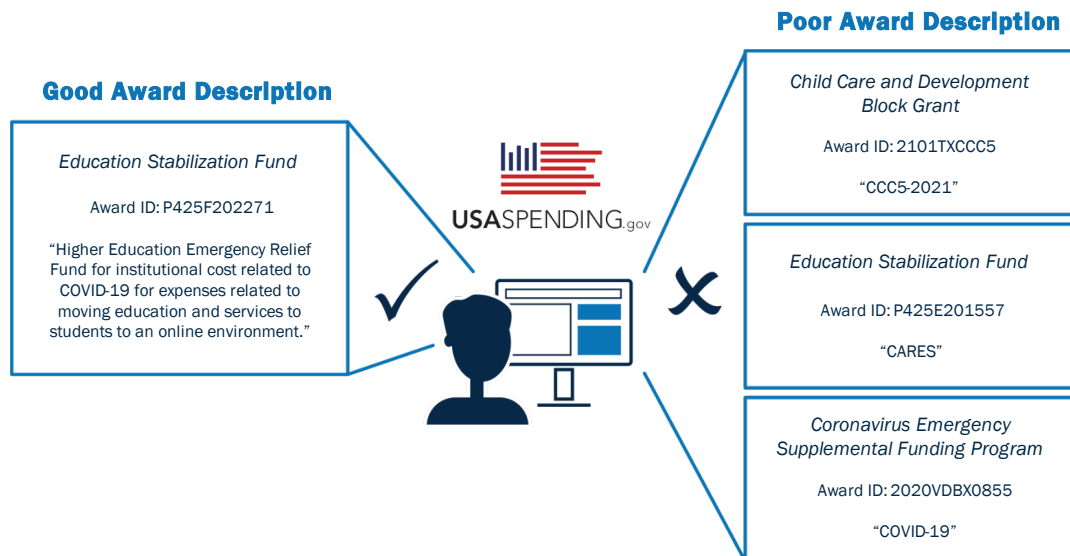


Figure 2 – An example of a COVID-19 award description that meets the OMB requirements compared to poor award descriptions that use agency-specific jargon or only reference the legislation (e.g., CARES) or COVID-19.

approximately \$8.8 billion are from the U.S. Department of Housing and Urban Development (HUD). As an example, HUD has more than 1,100 awards (totaling \$2.1B) within Assistance Listing 14.218, Community Development Block Grants/Entitlement Grants, all with the same award description of "Community Development Block Grants/Entitlement Grants," a verbatim match to the Assistance Listing title. When including all grants, loans, direct payments, and other financial assistance awards, HUD has more than 37,000 awards totaling approximately \$11B in COVID assistance spending with award descriptions that are an exact or close match to the Assistance Listing name. We brought this preliminary finding to the attention of the Chief Financial Officers Council and HUD leadership in March 2021 for further review.

We also identified more than 2,450 awards totaling approximately \$19 billion in pandemic assistance that include agency specific jargon for award descriptions. For example, we identified 276 Child Care and Development Block Grants (Assistance Listing 93.575) totaling \$9.8 billion from the U.S. Department of Health and Human Services (HHS) had the

award description "CCC5-2021." We identified a \$300 million award from the Department of Transportation Federal Transit Formula Grants (Assistance Listing 20.507) with the award description "CRRSAA 2021."

We identified more than 360 pandemic assistance awards totaling more than \$1.8 billion that include brief and non-descriptive award descriptions, such as "CARES," "CARES ACT," or "COVID-19."

Non-specific award descriptions prevent the public, agency management, and policy makers from determining the use of the federal pandemic assistance. A lack of transparency also hampers oversight and accountability efforts.

These substandard entries were partially the result of the need to quickly award COVID-19 assistance in the initial months of the pandemic. These entries were also likely due to a lack of continuous monitoring of government-wide agency submissions and the absence of data governance processes that enforce the consistent use of established standards and guidelines. Without these processes,

preexisting challenges² related to how agencies interpret and apply data standards were amplified by the pandemic.

During the ARRA reporting, recipient reporting included narrative data fields that provided details into the purpose of the award. These data fields are not available for COVID-19 reporting. As a result, the award description field is the lone remaining narrative field to detail the purpose and intent of pandemic assistance spending.

We recognize that OMB has made efforts to enhance the quality of information in the award description field for pandemic assistance by issuing guidance in Memo M-20-21 (April 2020), Memo M-21-03 (November 2020), and Memo M-21-20 (March 2021), and Controller Alert, *Additional Instructions to Agencies for Contract Awards in Support of COVID-19 Response - Improve Clarity of Award & Modification Descriptions* (August 2020).

Recommendations:

1. OMB should, in coordination with the PRAC, offer resources for agencies that focuses on improving the quality of award descriptions to result in consistent use and application of this field across all agency submissions and to provide clarity on the intent and purpose of pandemic assistance.

OMB Response and PRAC Evaluation:

OMB concurred with the recommendation. OMB plans to develop resources to assist agencies in addressing the quality of their descriptions. OMB plans to complete planned actions within the next year in coordination with the PRAC.

This recommendation is resolved. To close this recommendation, OMB will need to provide the PRAC evidence of resources (training sessions, fact sheets, etc.) that support agency staff in addressing the quality of their award descriptions to improve the quality of COVID-19 relief spending data reported to USAspending.gov.

2. OMB should develop and implement a plan, leveraging its resources and in coordination with the PRAC, to disseminate to individual agencies examples of insufficient award descriptions in need of remediation.

OMB Response and PRAC Evaluation:

OMB concurred with the recommendation. OMB plans to disseminate to agencies examples of award descriptions that do not meet the level of quality required in OMB policy. OMB plans to complete planned actions within the next year in coordination with the PRAC.

This recommendation is resolved. To close this recommendation, OMB will need to provide the PRAC evidence that OMB disseminated to each agency with COVID-19 relief award descriptions that do not meet OMB policy guidance actions for improvement/remediation.

3. OMB should engage with Congress to consider legislating amendments to extend independent oversight of USAspending.gov data submissions, including developing new requirements in consultation with CIGIE and the PRAC for the review of agency award descriptions.

² Government Accountability Office's prior work on Federal Data Transparency: <https://www.gao.gov/federal-data-transparency>

OMB Response and PRAC Evaluation:

OMB concurred with the recommendation. OMB plans to continue to work closely with PRAC and Congress to ensure that PRAC and CIGIE have the appropriate statutory mandates to conduct the proper oversight of COVID-19 relief data.

This recommendation is resolved. To close this recommendation, OMB will need to provide the PRAC evidence of actions to initiate conversations and engage with Congress and/or key policy stakeholders to consider legislative amendments to extend independent oversight of USAspending.gov data submissions.

Finding No. 2: USAspending.gov Does Not Definitively Track COVID-19 Supplemental Spending at the Subrecipient Level.

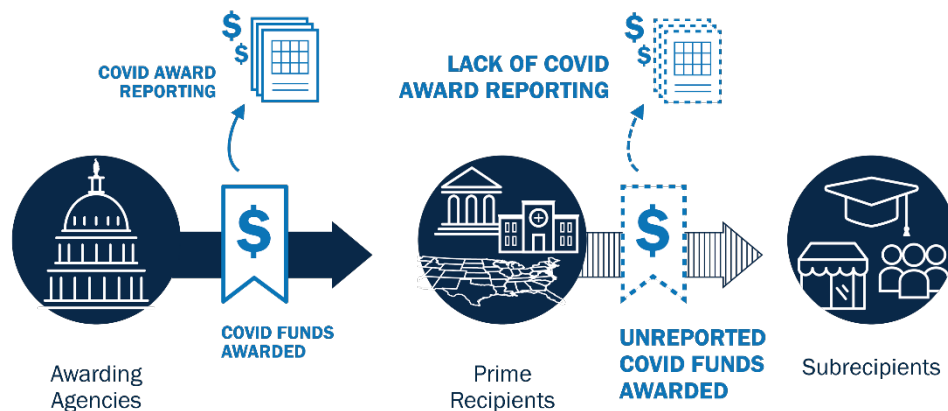


Figure 3 - COVID-19 funding is tracked at the prime recipient level; however, there is no way to trace COVID-19 funding at the subrecipient level, which leads to a lack of transparency in how and where COVID-19 funding was used at the local level.

A large percentage of subrecipient³ awards tracked on USAspending.gov can only be inferred to be COVID-19 related. This occurs because the prime recipient reporting the sub-award information is not required—or able—to identify the sub-award as COVID-19 funded when the prime receives funds from multiple appropriations/sources. USAspending.gov contains the following disclaimer: ‘If a prime award is funded by a combination of COVID-19 supplemental appropriations and general appropriations, there is no way to be certain

from this data which source funded a given subaward.’

To determine how prevalent the issue is, the PRAC reviewed the top 100 grant Assistance Listings with the largest COVID-19 obligations. The PRAC discovered that 71 of the top 100 Assistance Listings received funding from multiple sources, thereby making it impossible to definitively follow COVID-19 funding down to subrecipient awards. The CARES Act requires recipients to submit to agencies detailed information on any level of subcontracts or subgrants awarded by the covered (i.e., prime)

³ Covered, or pandemic-related funds, can also be spent by subrecipients—nonfederal entities that are awarded covered funding through a legal instrument from the prime recipient to manage and support the performance of any portion of the substantive project or program for which the prime recipient received the covered funding.

recipient or its subcontractors or subgrantees⁴. Unlike prime award data submitted by federal agencies to USAspending.gov that use the DEFC to track COVID-19 funding, USAspending.gov cannot display COVID-19 funding for subrecipients since it is not reported.

Prime recipients submit their first-tier sub-award data to the FFATA Subaward Reporting System (FSRS). The sub-award information entered in FSRS is then displayed on USAspending.gov associated with the prime award. However, FSRS does not have the capability for prime award recipients to detail if they used COVID-19 funding (i.e., a DEFC) when reporting subrecipient awards. As a result, COVID-19 spending data for sub-awards is not displayed on USAspending.gov. This means that the only way to know for certain if a sub-award used COVID-19 funding is if the prime recipient only received COVID-19 funding but not due to systemic tracking or reporting.

Without processes to definitively track COVID-19 spending at the subrecipient level, there is little transparency into how COVID-19 funding flows down to local projects. Moreover, the inability to track subrecipient spending for many of the assistance programs leads to a

misunderstanding of where and how the funds were used.

Not knowing this information could lead users of USAspending.gov to inadvertently draw inaccurate conclusions from the data.

Recommendation

4. OMB should conduct a feasibility study, in coordination with relevant federal and non-federal stakeholders, as to how to better track and report subrecipient funding.

OMB Response and PRAC Evaluation:

OMB concurred with the recommendation. OMB plans to conduct a feasibility study of how to better track and report subrecipient spending and anticipates providing the PRAC with better access to subrecipient data.

This recommendation is resolved. To close this recommendation, PRAC will need evidence that OMB initiated and completed a feasibility study focused on improving the tracking and reporting of subrecipient spending presented on USAspending.gov.

Finding No. 3: Populations of Pandemic Assistance Sub-Award Data Are Missing on USAspending.gov.



Figure 4 - Not all prime recipients are reporting sub-award data to USAspending.gov, leading to questions as to whether there are a) no awards or b) awards do exist but the prime recipient never reported the sub-award data so it is not displayed on USAspending.gov.

⁴ See CARES Act Section 15011.

Not all prime recipients are consistently reporting subrecipient data, leading to questions as to whether there are (a) no such awards or (b) awards do exist but the prime recipients never reported the sub-award data.

We identified gaps in subrecipient reporting data by cross-referencing other authoritative sources of spending data, such as states' financial reports and federal and state agency websites. We found that, on average, only 59% of prime recipients are reporting any subrecipient data across the ten grant programs with the largest COVID-19 obligations.

The CARES Act requires agencies to submit detailed information on any level of subcontracts or subgrants awarded by the covered recipient or its subcontractors or subgrantees. FFATA and the DATA Act require that all data regarding sub-awards are disclosed in the same manner as data regarding other federal awards. Prime recipients are required to self-report first-tier sub-award information in FSRs, however, there is minimal monitoring of the submissions by the awarding agency.

Furthermore, while limited data is collected/reported for the first-tier sub-awards, no information is collected or reported at subsequent second- to n-tier (third tier and beyond) sub-awards.

This gap in reporting sub-award data was partially the result of the focus on awarding assistance funds in OMB Memo M-20-21 which stated that "time is of the essence" and agencies should seek to balance mission achievement, expediency, and transparency and accountability.

During our review, for example, we identified more than 1,600 State of California sub-awards for the U.S. Department of Education's Education Stabilization Fund (Assistance

Listing 84.425) that were not listed on USAspending.gov. However, information regarding these sub-awards was available for download on the California Department of Education [website](#). We found at least two other states (New York, Vermont) and the District of Columbia that did not have any sub-awards reported for the Education Stabilization Fund on USAspending.gov as of May 2021, more than 13 months after the enactment of the CARES Act (and obligation of the associated COVID-19 supplemental funds). Sub-award data for each of these states and the District of Columbia was updated in USAspending.gov in June 2021, after we brought this preliminary finding to the attention of Chief Financial Officers Council and OMB in March 2021; however, this reporting delay creates transparency concerns.

We have determined that similar issues persist in other assistance programs. For example, the [State of Florida's Comprehensive Annual Financial Report for FY2020](#) highlights the state making more than 1,000 sub-awards totaling more than \$1.2 billion for the U.S. Department of Homeland Security Disaster Grants – Public Assistance (Presidentially Declared Disasters) program (Assistance Listing 97.036). None of these sub-awards are reported on USAspending.gov. Further analysis shows that 55 states and territories received awards as part of the Disaster Grants – Public Assistance (Presidentially Declared Disasters) program. However, only 37 states and territories are reporting any sub-award data. The remaining 18 states and territories (such as Florida) are not reporting any sub-award data, which means nothing is listed on USAspending.gov.

A lack of data is assumed as a lack of award(s). This is not always the case but due to the lack of sub-award data, false assumptions are likely. Furthermore, an incomplete

understanding of the impact of pandemic assistance programs leads to a lack of transparency into the outcomes and objectives of the assistance program(s).

As noted in Finding No. 2, the inability to track local (e.g., subrecipient) spending for many of the assistance programs leads to a misunderstanding of where and how the funds were used.

Recommendation

5. OMB should engage with Congress to consider legislating amendments to extend independent oversight of USAspending.gov data submissions, including developing new requirements in consultation with the CIGIE and the

PRAC for the review of subrecipient reporting.

OMB Response and PRAC Evaluation:

OMB concurred with the recommendation. OMB plans to continue to work closely with PRAC and Congress to ensure that PRAC and CIGIE have the appropriate statutory mandates to conduct the proper oversight of COVID-19 relief data.

This recommendation is resolved. To close this recommendation, OMB will need to provide the PRAC evidence of actions to initiate conversations and engage with Congress and/or key policy stakeholders to consider legislative amendments to extend independent oversight of USAspending.gov data submissions.

Other Matters: Delays in Updating or Omitting Key Data Elements on USAspending.gov Could Lead Users to Draw Inaccurate Conclusions.

Outlay data not reported more than 19 months after the onset of the pandemic.

Per OMB Memo 20-21, agencies were required to report outlay (or expenditure) data for pandemic funding beginning in June 2020. However, we discovered that some agencies are not reporting any outlay data for COVID-19 awards, more than 19 months after the onset of the pandemic. The lack of outlay data 19 months into the pandemic means that there is less transparency into how much has actually been spent in response to the pandemic.

Although some agencies are reporting outlay data in their assistance submissions, other agencies are not providing data at all. Even within agencies, some Assistance Listings include outlay data, while others do not. Further compounding this issue, alerts or notices informing users about the potential lack of outlay data are not fully disclosed on

USAspending.gov. Not knowing this information could lead users of USAspending.gov to inadvertently draw inaccurate conclusions from the data.

Awards labeled “Unknown” create confusion for users.

As of July 2021, there are approximately 1,900 COVID-19 awards totaling more than \$3.4 billion on USAspending.gov that are labeled “unknown” and have no award information. These “unknown” awards are not tied to specific Assistance Listing(s), resulting in no transparency into what the funding is intended to support or achieve.

Subrecipient award data is reported in USAspending.gov but is not tied to a specific Assistance Listing.

As of April 2021, more than 24,000 sub-award records within the Department of Education’s

Education Stabilization Fund (Assistance Listing 84.425) had no information in the Assistance Listing field. As a result, these sub-awards are not presented on USAspending.gov when searching for the Education Stabilization Fund Assistance Listing. This is another example of the difficulties in tracking sub-awards, combined with the previously discussed issues around the inability to definitively track COVID-19 sub-award funding and the significant populations omitting sub-award data.

Additional Gaps Previously Identified

As identified in the November 2020 PRAC-commissioned report, [Transparency in Pandemic-Related Spending: Report of Alignment and Gaps](#), the following major data gaps still exist in USAspending.gov although the data is required by the CARES Act.

1. No Second- to N-tier award information.

Data is collected for the first-tier sub-awards, but no information is collected

or reported at subsequent n-tier sub-awards (second tier and beyond).

2. No information about jobs created or retained by award.

Per OMB 20-21, agencies are not required to collect and report data on jobs created or retained as required by the CARES Act. Therefore, this data is not available on USAspending.gov, as required under the CARES Act.

Acronyms

ARRA	American Recovery and Reinvestment Act of 2009
CARES Act	Coronavirus Aid, Relief, and Economic Security Act
CFDA	Catalog of Federal Domestic Assistance (recently retitled as Assistance Listing)
COVID-19	Coronavirus pandemic
CIGIE	Council of the Inspectors General on Integrity and Efficiency
DAIMS	DATA Act Information Model Schema
DATA Act	Digital Accountability and Transparency Act
DEFC	Disaster Emergency Fund Codes
FFATA	Federal Funding Accountability and Transparency Act of 2006
FSRS	FFATA Subaward Reporting System
FY	Fiscal Year
HHS	U.S. Department of Health and Human Services
HUD	U.S. Department of Housing and Urban Development
OIG	Office of Inspector General
OMB	Office of Management and Budget
PRAC	Pandemic Response Accountability Committee
Treasury	U.S. Department of the Treasury

Appendix A: Summary of Poor COVID-19 Award Descriptions

Table 1: Examples of Award Descriptions That Match the Assistance Listing Name

<i>Award Description</i>	<i>Agency</i>	<i>Assistance Listing Number</i>	<i>Count of Award Description Occurrence</i>	<i>COVID-19 Obligation</i>
EMERGENCY SOLUTIONS GRANT PROGRAM	DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)	14.231	354	\$3,727,250,105
COMMUNITY DEVELOPMENT BLOCK GRANTS/ENTITLEMENT GRANTS	HUD	14.218	1,104	\$2,089,675,440
COMMUNITY DEVELOPMENT BLOCK GRANTS/STATE'S PROGRAM AND NON-ENTITLEMENT GRANTS IN HAWAII	HUD	14.228	50	\$2,085,916,492
UNEMPLOYMENT INSURANCE	DEPARTMENT OF LABOR	17.225	135	\$1,143,687,844
BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES	DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS)	93.958	53	\$813,323,457
PUBLIC AND INDIAN HOUSING	HUD	14.850	6443	\$684,547,081
EMERGENCY FOOD AND SHELTER NATIONAL BOARD PROGRAM	DEPARTMENT OF HOMELAND SECURITY (DHS)	97.024	2	\$310,000,000
HEAD START	HHS	93.600	426	\$123,590,593
INDIAN COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM	HUD	14.862	96	\$99,100,000
ASSISTANCE TO FIREFIGHTERS GRANT	DHS	97.044	1,608	\$76,266,388
EMERGENCY MANAGEMENT PERFORMANCE GRANTS	DHS	97.042	33	\$66,815,816
HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS	HUD	14.241	205	\$62,937,351

TABLE 2: EXAMPLES OF AWARD DESCRIPTIONS USING AGENCY-SPECIFIC JARGON

<i>Award Description</i>	<i>Agency</i>	<i>Assistance Listing Number</i>	<i>Count of Award Description Occurrence</i>	<i>COVID-19 Obligation</i>
CCC5-2021	DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS)	93.575	276	\$9,872,841,870
CCC3-2020	HHS	93.575	275	\$3,455,997,101
PHFE CDPH ELC 2019-2024	HHS	93.323	1	\$2,251,104,897
CSC3-2020	HHS	93.569	111	\$983,508,021
E5C3-2020	HHS	93.568	195	\$899,998,456
HDC3-2020	HHS	93.045	56	\$480,143,372
CRRSAA 2021	DEPARTMENT OF TRANSPORTATION	20.507	1	\$301,367,165
SSC3-2020	HHS	93.044	56	\$199,856,628
HDC5-2021	HHS	93.045	56	\$168,000,000
FCC3-2020	HHS	93.052	56	\$100,000,000
2020 ILC3 – CARES	HHS	93.432	352	\$85,000,000
CWC3-2020	HHS	93.645	231	\$44,897,402
FVC3-2020	HHS	93.671	188	\$39,112,939
RADX-UP CDCC	HHS	93.310	1	\$27,816,167
N/A	DEPARTMENT OF EDUCATION	84.425	13	\$22,009,561

TABLE 3: EXAMPLES AWARD DESCRIPTIONS THAT REFERENCES TO CARES ACT, COVID-19, OR OTHER SIMILAR TYPES OF ENTRIES

<i>Award Description</i>	<i>Agency</i>	<i>Assistance Listing Number</i>	<i>Award Description Occurrence Count</i>	<i>COVID-19 Obligation</i>
CARES ACT FUNDING FY20	DEPARTMENT OF TRANSPORTATION (DOT)	20.507	1	\$817,487,351
CARES ACT	DEPARTMENT OF EDUCATION (ED)	84.425	65	\$72,884,031
CARES ACT	DOT	20.507	3	\$54,519,876
CARES ACT OPERATING ASSISTANCE	DOT	20.507	3	\$123,776,765
CARES ACT FUNDING	ED	84.425	20	\$72,964,845
CARES ACT FUNDING	DOT	20.509	1	\$359,675
FY 20 CARES ACT	DOT	20.507	1	\$61,307,439
CARES ACT 5311 RURAL	DOT	20.509	1	\$55,954,848
RURAL AREA 5311 CARES ACT	DOT	20.509	1	\$47,126,485
IADOT 5311 CARES ACT	DOT	20.509	1	\$42,820,959
FY20 COVID-19 EMERGENCY GRANT	ED	84.425	1	\$31,448,178
CARES ACT RELIEF	ED	84.425	2	\$30,476,999
2ND EMERGENCY RELIEF FUND	ED	84.425	1	\$28,156,561
CARES ACT FUNDING – COVID-19	ED	84.425	3	\$26,337,032
2020 CARES ACT	DOT	20.507	1	\$24,162,926

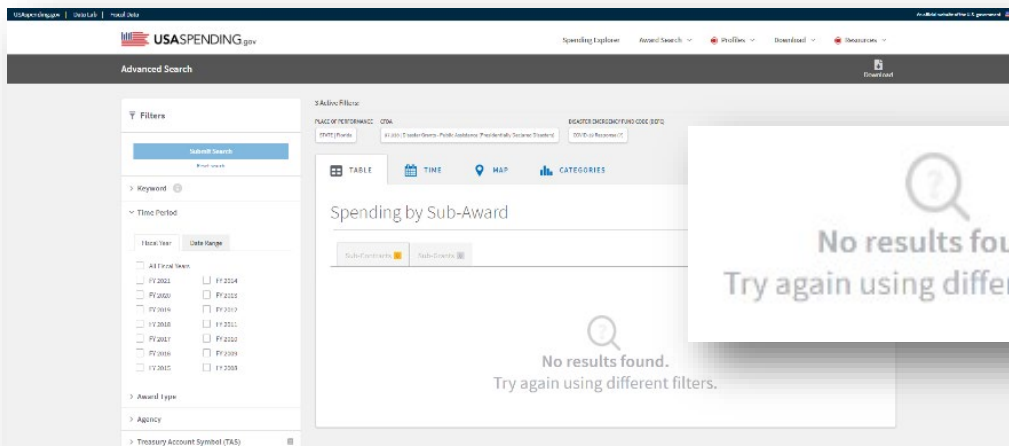
Appendix B: Subrecipient Data for the State of Florida in Florida's Comprehensive Annual Financial Report Compared to USAspending.gov for Assistance Listing 97.036



U.S. DEPARTMENT OF HOMELAND SECURITY	
Finding Number	2020-050
CFDA Number	97.036 (Includes COVID-19 Awards)
Program Title	Disaster Grants - Public Assistance (Presidentially Declared Disasters)
Compliance Requirement	Subrecipient Monitoring
State Entity	Florida Division of Emergency Management (FDEM)
Federal Grant/Contract Number and Grant Year	Various
Statistically Valid Sample	No
Finding Type	Opinion Qualification and Material Weakness
Finding	The FDEM did not monitor subrecipients in accordance with FDEM procedures or timely issue management decisions for subrecipient audit findings.
Criteria	<p>2 CFR 200.331 – Requirements for pass-through entities – All pass-through entities must monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and terms and conditions of the subaward, and that subaward performance goals are achieved. Monitoring of the subrecipient must include reviewing financial and performance reports, following up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award noted through audits, on-site reviews, and other means, and issuing management decisions as required by 2 CFR 200.521. Depending upon the entity's assessment of risk posed by the subrecipient, monitoring tools such as providing subrecipients with training and technical assistance on program-related matters and performing on-site reviews may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals.</p> <p>2 CFR 200.521 – Management decision – The pass-through entity is responsible for issuing a management decision for audit findings pertaining to the Federal award within 6 months of acceptance of the audit report by the Federal Audit Clearinghouse.</p> <p>FDEM Subrecipient Compliance Program Standard Operating Procedures – All subrecipients are monitored at least once per year through desk reviews. The desk review includes a programmatic review, fiscal review, and policies and procedures review. Upon completion of the desk review, the FDEM will issue a Compliance Report.</p>
Condition	During the 2019-20 fiscal year, the FDEM provided \$1,206,203,090 in Disaster Grant funds to 1,023 subrecipients. Of these subrecipients, 208 were required to submit audit reports to the FDEM. Our review of FDEM records for 47 of the 1,023 subrecipients disclosed that, while the FDEM reviewed the required performance reports and subrecipient audit reports, as applicable, for 40 subrecipients, the FDEM did not conduct a desk review of the subrecipients during the 2019-20 fiscal year. For the other 7 subrecipients, FDEM records indicated that a desk review was performed; however, the FDEM could not provide the Compliance Report or other documentation evidencing the results of the desk review.

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Appendix C: OMB's Response to the Draft Report



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

October 14, 2021

The Honorable Michael E. Horowitz
Chairman
Committee on Pandemic Response and Accountability
United States Senate
Washington, D.C. 20510-6250

Dear Mr. Chairman:

OMB provides this response on its actions related to the findings and recommendations of the Pandemic Response and Accountability Committee (PRAC) in its report titled “Increasing Transparency into COVID-19 Spending” pursuant to Section 15010 of the Coronavirus Aid Relief and Economic Security (CARES) Act. In its final report, the PRAC provides three findings and five recommendations to OMB to improve financial assistance spending transparency. OMB generally agrees with the PRAC’s findings and recommendations. More broadly, OMB appreciates the ongoing collaboration between OMB, the White House American Rescue Plan (ARP) Implementation Team, and the PRAC to strengthen implementation to deliver on pandemic relief programs provided by the Congress.

OMB remains committed to improving the quality of COVID-19 relief spending data reported to USAspending.gov. OMB, in coordination with the PRAC, will continue to focus on improving financial assistance award description and subaward data. Within the next year we expect these efforts will include dissemination to agencies of examples of award descriptions that do not meet the level of quality required in OMB policy (PRAC Recommendation 2), and the development of resources to assist agencies in addressing the quality of their descriptions going forward (PRAC Recommendation 1). Strengthening financial assistance award descriptions has been an important implementation priority for OMB with regards to ARP implementation. We also look forward to conducting a feasibility study of how to better track and report subrecipient spending, and anticipate providing the PRAC with better access to subrecipient data in order to facilitate our exchanges on that topic. (PRAC Recommendation 4).

Finally, OMB highly values the work of the PRAC and the Council of Inspectors General on Integrity and Efficiency (CIGIE) in conducting independent oversight of the quality of

transparency reporting data, in particular with respect to award descriptions and subaward reporting (PRAC Recommendations 3 and 5). OMB looks forward to continuing to engage with the PRAC and Congress to ensure that the PRAC and CIGIE have the appropriate statutory mandates to conduct needed oversight of these data.

Further, due to the high priority that OMB places on independent oversight of data quality, and in accordance with the Single Audit Act Amendments of 1996, OMB updated the Single Audit Compliance Supplement to require the review of recipient subaward reporting for programs with COVID-19 spending in 2020, and for all programs as part of audits of fiscal years ending after September 30, 2020. OMB anticipates this new requirement will allow agencies to leverage insights from the Single Audits they receive to understand where further efforts on the part of recipients to improve data quality may be needed.

OMB appreciates the efforts on the part of the PRAC to provide oversight and accountability for transparency of federal spending in response to the COVID-19 pandemic, and looks forward to continued engagement to advance these efforts.

If you have any questions, please contact OMB's Office of Federal Financial Management at 202-395-3993.

Sincerely,

A handwritten signature in black ink, reading "Shalanda D. Young". The signature is fluid and cursive, with the first name "Shalanda" being the most prominent part.

Shalanda D. Young
Acting Director

Appendix C: Scope and Methodology

The objective of this review was to identify specific transparency gaps in award data for federal assistance spending in response to the Coronavirus Disease 2019 (COVID-19) pandemic. This review was completed between March 2021 – August 2021.

To review federal assistance award data for COVID-19 spending, we used data from [USAspending.gov's COVID-19 Spending web page](#). Data was originally downloaded from USAspending.gov in March, with additional downloads in April, May, June, July and August 2021. The USAspending.gov COVID-19 Spending web page allows users to view spending data by Assistance Listing, along with total spending by budget category, spending by recipient, spending by sub-agency, and other pre-set filters. For the Assistance Listing award data, USAspending classifies the different federal assistance by grants, loans, direct payments, and other financial assistance.

For this evaluation, we analyzed the award data across the ~250 different grant programs that received COVID-19 funding. To view the metadata for all awards, we downloaded the USAspending.gov COVID-19 download, which includes all data displayed on the USAspending.gov COVID-19 Spending web page as well as many additional data elements. We then analyzed the award data to conduct our evaluation. Key data elements we reviewed as part of the evaluation included:

- | | |
|----------------------------------|--|
| - Award Description | - Outlayed Amount Funded by COVID-19 |
| - Recipient Name | Supplementals |
| - Awarding Agency Name | - Period of Performance, and |
| - CFDA Numbers and Titles | - Other award data elements to examine |
| - COVID-19 Supplementals Funding | the transparency of each award. |
| Obligations | |

In addition to data downloaded from USAspending.gov, where available, the PRAC reviewed federal agencies' websites, state agency websites, and other publicly available COVID-19 award data to determine if additional award data exists beyond what is submitted to USAspending.gov. In addition, the PRAC searched reports and audits published in the Federal Audit Clearinghouse (<https://facweb.census.gov/uploadpdf.aspx>) to cross-reference data from these reports against data posted on USAspending.gov.

This assessment is reliant on the quality of data made available on the USAspending.gov. The PRAC did not alter or change any data downloaded from USAspending.gov in any capacity to conduct this assessment.

We conducted this engagement in accordance with the Council of the Inspectors General on Integrity and Efficiency's Quality Standards for Inspection and Evaluation. Those standards require that we plan and perform the engagement to obtain sufficient and appropriate evidence to provide a reasonable basis for our conclusions and observations based on our objective. We believe that the evidence obtained provided a reasonable basis for our conclusions and observations based on our evaluation objective. We relied on computer-processed data to satisfy our evaluation objective. We relied on previous audit work regarding the reliability of the computer-processed data we used and deemed the data to be sufficiently reliable.

PRAC Point of Contact

Brooke Holmes

Associate Director of Oversight and Accountability

Brooke.Holmes@cigie.gov

Visit Our Website at:

<https://PandemicOversight.gov>

Follow us social media:



@COVID_Oversight

REPORT FRAUD, WASTE, ABUSE, AND MISMANAGEMENT

To report allegations of fraud, waste, abuse, or misconduct regarding funds or programs covered within the following Acts, please go to the PRAC website at

PandemicOversight.gov.



A Committee of the
Council of the Inspectors General
on Integrity and Efficiency