



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

THE DIRECTOR

April 29, 2022

M-22-12

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: Shalanda D. Young *Shalanda D. Young*

SUBJECT: Advancing Effective Stewardship of Taxpayer Resources and Outcomes in the Implementation of the Infrastructure Investment and Jobs Act

Executive Order (E.O.) [14052](#) on “Implementation of the Infrastructure Investment and Jobs Act” notes that the Infrastructure Investment and Jobs Act,¹ also known as “IIJA,” is “a once-in-a-generation investment in our Nation’s infrastructure and competitiveness.” E.O. 14052 also notes that the programs and funding enabled through IIJA will “help rebuild America’s roads, bridges, and rails; expand access to clean drinking water; work to ensure access to high-speed internet throughout the Nation; tackle the climate crisis; advance environmental justice; and invest in communities that have too often been left behind,” and “accomplish all of this while driving the creation of good-paying union jobs and growing the economy sustainably and equitably for decades to come.” Critical to achieving these goals will be effective implementation by the executive departments and agencies with statutory responsibilities designated in IIJA.

IIJA implementation represents a historic opportunity to rebuild our Nation’s infrastructure. Implementation needs to be efficient and effective to deliver the best results, protect taxpayer dollars, and ensure public trust. Accordingly, this memorandum provides initial guidance to agencies² that have responsibilities for implementing IIJA programs. Additional guidance may be issued as agencies, the Office of Management and Budget, the Infrastructure Implementation Task Force, and the White House Infrastructure Implementation Team identify topics that require further direction or clarification.

PART I – GOVERNANCE, MANAGEMENT, AND OVERSIGHT

Efficient and effective implementation of IIJA requires a coordinated Government-wide approach. To that end, the Administration is committed to creating a governance structure that will break down barriers and eliminate silos.

¹ Pub. L. No. 117-58.

² An “agency” for purpose of this memorandum means any authority of the United States that: (1) is an “agency” under 44 U.S.C. § 3502(1), other than an independent regulatory agency, as defined in 44 U.S.C. § 3502(5), and (2) has responsibilities under the IIJA.

A. Within the Executive Office of the President

E.O. 14052 established the Infrastructure Implementation Task Force (“Task Force”). The function of the Task Force is to coordinate effective implementation of IJA and other related significant infrastructure programs within the Executive Branch. The Director of the National Economic Council (“NEC”) and the White House Infrastructure Coordinator serve as Co-Chairs of the Task Force. In addition to the Co-Chairs, Task Force members include the heads of Federal departments, agencies, and offices with infrastructure implementation responsibilities. The White House Infrastructure Implementation Team (“WHIIT”) supports the Task Force Co-Chairs in the activities of the Task Force and the coordination of effective implementation of IJA and related programs across agencies. The Office of Management and Budget (“OMB”), through its established functions and statutory roles related to budget, regulation, administration, management, and legislative proposals, supports the Task Force and WHIIT in oversight of IJA implementation.

In addition to coordination with the Task Force and WHIIT, agencies are expected to, consistent with this guidance, continue to coordinate with OMB on implementation issues and considerations related to IJA and infrastructure programs.

B. Agency Coordination

To ensure robust governance and management of effective, efficient, and equitable IJA implementation within and across agencies:

- Agencies must designate a senior accountable official for IJA implementation. This individual should have responsibility and authority to coordinate across agency bureaus, components, operating divisions, offices, and programs, and should lead regular reviews of infrastructure implementation within their agencies. Senior accountable officials for agencies should be at the sub-Cabinet or Deputy Secretary/Deputy Administrator level.
- Agencies also should designate an implementation coordinator to manage a cross-functional team and processes to implement IJA and this guidance, and to interact with the Task Force, WHIIT, and OMB.
 - Agency experts to engage in cross-functional agency infrastructure implementation teams include: agency Performance Improvement Officers, Evaluation Officers, Chief Financial Officers, Chief Acquisition Officers, Chief Information Officers, Chief Information Security Officers, Chief Data Officers, Statistical Officials, Grant Officers, Key Management Single Audit Liaison, Senior Accountable Officials for Domestic Sourcing, Senior Accountable Officials for Privacy, Chief Human Capital Officers, Program Management Improvement Officers, and Senior Advisors for Delivery and Customer Experience teams.
- Agencies should ensure equity³ expertise—including Agency Equity Teams, established to lead agency implementation of E.O. [13985](#) on “Advancing Racial Equity and Support

³ Equity is defined in E.O. 13985 as: “the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous

for Underserved Communities”—is embedded in IJA implementation (including program design, grant administration and application review, oversight and program evaluation, policy development and research, and within local and regional field offices). As part of efforts to advance equity through IJA implementation, agencies should organize staff and teams to collaborate with state, local, Tribal, and territorial governments and, as further discussed in Part II, Section A(3) of this guidance, provide technical assistance to underserved and capacity-constrained communities, including rural communities. This includes:

- To support rural communities in accessing Federal funding, agencies should designate rural desk officers or teams to ensure coordination with other agencies on rural issues as part of the Rural Partners Network. Rural desk officers or teams will, among other responsibilities, collaborate across agencies toward aligning IJA program investments to support rural, place-based strategies and projects, where feasible and consistent with the law, and help provide economically distressed, rural communities with technical assistance consistent with Part II, Section A(3) of this guidance.
- All agencies with significant funding opportunities for territorial governments through IJA should designate a team to partner with territorial governments to provide central coordination between the agency and territorial governments. Over the course of IJA implementation, these teams will be responsible for: conducting affirmative and ongoing coordination and outreach to territorial governments about the funding opportunities in IJA; helping to streamline application and reporting processes to reduce administrative burdens for territorial governments in accessing IJA funding, consistent with statutory requirements and Part II, Section A(3) of this guidance; and providing technical assistance to territorial governments on accessing and implementing IJA funding, consistent with Part II, Section A(3) of this guidance.
- Agencies should ensure their Tribal relations or Tribal affairs offices have designated liaisons to coordinate with and expand technical assistance and support for Tribal governments related to IJA delivery, and that these Tribal liaisons for infrastructure are embedded in agency infrastructure implementation teams as appropriate.

C. With Oversight Entities

In addition to the cross-functional agency experts identified above in Part I, Section B of this guidance, agencies should proactively engage with oversight entities, including Inspectors General (“IGs”) and the U.S. Government Accountability Office (“GAO”). OMB Memorandum [M-22-04](#) on “Promoting Accountability through Cooperation among Agencies and Inspectors General” noted that it is “the President’s expectation that [agencies] will restore and respect the integrity and independence of their respective agency [IGs]” and that collaboration between agencies and their IGs “on the front-end ensures expertise is brought to bear to ensure programs are constructed in ways that strike the balance right between efficient

and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality.

results, equitable access, and program integrity, including minimal waste, fraud, and abuse.” See Part II, Section B(1) of this guidance for expectations for agencies related to cooperation with oversight.

PART II – EFFECTIVE AND ACCOUNTABLE IMPLEMENTATION AND STEWARDSHIP

As outlined in E.O. 14052, agencies must prioritize “investing public dollars efficiently and equitably, working to avoid waste, and focusing on measurable outcomes for the American people.” To support agency implementation, this initial guidance emphasizes the importance of accountability and transparency of Federal Government spending and sets forth initial steps agencies must take to ensure effective stewardship of these funds. Importantly, effective stewardship of these funds requires that they are invested equitably and in close collaboration with State, local, Tribal, and territorial governments.

Building on recent progress and existing financial management and reporting requirements set forth in statute and prior OMB guidance, this guidance on program planning, design, execution, financial management, and data, tracking, and reporting advances the values and priorities outlined in the [President’s Management Agenda](#) and the requirements outlined in a variety of the President’s directives, including E.O. 13985, E.O. [14020](#) on “Establishment of the White House Gender Policy Council,” E.O. [14008](#) on “Tackling the Climate Crisis at Home and Abroad,” E.O. [14005](#) on “Ensuring the Future is Made in America by All of America’s Workers,” E.O. [14058](#) on “Transforming Federal Customer Experience and Service Delivery to Rebuild Trust in Government,” E.O. [14028](#) on “Improving the Nation’s Cybersecurity,” and the Presidential Memorandum on “[Restoring Trust in Government Through Scientific Integrity and Evidence-Based Policymaking](#).”

A. Program Planning, Design, and Execution

At each step of planning, design, and implementation, consistent with statutory requirements, agencies should leverage existing agency processes to assess equity, proactively involve underserved communities⁴ and stakeholders, make evidence-based decisions, transparently describe the criteria for investment decisions, set and track measurable performance indicators, use data to measure and evaluate progress, and foster a culture of continuous improvement. Effective stewardship depends on equitable, effective, transparent, and accountable management practices focused on delivering results for all.

1. Program Implementation Planning

To set a foundation that ensures IJA-funded programs are implemented efficiently and effectively, agencies must develop program implementation plans that: (1) reflect how IJA-funded programs will be consistent with statutory requirements and address the requirements, recommendations, and priorities in E.O. 14052 and this guidance, (2) define key performance

⁴ “Underserved communities” is defined in E.O. 13985 as “populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life,” as exemplified by the list in the definition of “equity” set forth in E.O. 13985 (see footnote 3 of this guidance).

metrics, (3) confirm program-level approach to financial management controls and risk mitigation strategies, and (4) identify key program implementation milestones.

Given that more than one IJA-funded program within an agency may advance complementary or related objectives and Administration priorities, agencies are encouraged to look across related groups of programs for considerations that should be addressed when formulating program-level implementation plans. In instances where agencies are administering more than one closely related program, agencies can work with OMB to determine if an implementation plan should be developed for the program group rather than for each separate program, to facilitate concurrent consideration of program design and implementation plans.

In addition, given that programs across agencies will advance common objectives, OMB and WHIT will convene agencies as appropriate to consider coordinated and complementary implementation strategies for related programs across priority areas and to inform program-level plans.

2. Performance Planning, Management, and Evaluation

In developing program implementation plans, agencies must design programs with clear goals and objectives, consistent with statutory requirements and informed by an understanding of the people they are meant to serve, draw from the best available data and evidence about effective strategies for similar programs and investments, and consider programmatic risks upfront. Development of program implementation plans may require adjustments to the agency's existing strategic and annual performance plans. OMB recommends that agencies utilize a logic model or similar framework for the design of IJA programs to document the intended program theory and desired outcomes. Evidence building should be built into program design from the outset. Human-centered design should inform the design of processes and delivery. Programs should be designed to collect and use data, or use existing data, that is needed for measuring progress and building evidence on program effectiveness, including implementation activities, performance reporting and program evaluation, as appropriate. This includes collecting feedback from program recipients and beneficiary communities, and collecting data or using existing data to assess program effectiveness and equitable delivery that should inform future investment decisions, which is discussed further in Part II, Section D of this guidance below. In some instances, agencies may need to plan to build their staff capacity to support these functions, as further discussed in Part II, Section E of this guidance below.

Agencies have incorporated where appropriate many IJA-funded program goals and measures into their ongoing organizational performance management routines used to develop recently published 2022-2026 Agency Strategic Plans,⁵ as well as part of leadership priorities reflected in the two-year Agency Priority Goals or Joint-Agency Priority Goals (where more than one agency partner to achieve an outcome); and shorter-term performance goals detailed in the 2023 Agency Performance Plan.⁶ IJA implementation may require additional adjustments to agencies' organizational strategic and performance plans and implementing objectives. Such

⁵ See [Performance.gov](https://www.performance.gov).

⁶ See OMB Circular No. A-11, *Preparation, Submission and Execution of the Budget, Part 6, The Federal Performance Framework for Improving Program Service and Delivery* for more information on the Federal Performance Framework.

transparency into IJJA goal-setting and reporting activities by agencies will strengthen the performance management routines that support effective implementation, and hold agencies accountable for the basis of decisions and its results. To underscore the importance of the Act's implementation to agencies' overall efforts to improve outcomes for the American public:

- Agencies should also highlight or tag in their next annual Agency Performance Plans specific performance goals and measures that directly implement or align to IJJA programs. Agencies should highlight or tag in the Agency Annual Evaluation Plan and/or Learning Agenda specific evidence-building activities connected to IJJA programs. For financial assistance programs, specifically:
- Agencies should ensure program goals and objectives and performance measures established during the program design phase are reflected in Assistance Listings and NOFOs, and are included in award-specific goals and objectives and performance measures and are documented in the award agreement.^{7,8}
- Agencies are strongly encouraged to include language in NOFOs requesting applicants allocate funding in their budgets for personnel and data infrastructure needs to support the performance-management and program-evaluation needs associated with their proposed application.
- For discretionary programs, agencies must design and execute a merit review process, with the objective of selecting projects that are most likely to be successful in delivering results based on program objectives.⁹ In designing the merit review and selection process, agencies should, to the extent allowed by law and as appropriate considering the size of awards and capacity of particular applicants, use benefit-cost analysis to inform award decisions, and prioritize awards, especially large ones, toward projects with higher benefit cost ratios. Agencies should provide technical assistance resources to applicants, especially those with less capacity, where benefit-cost analyses are considered as part of a program's award selection process.
 - Agencies' merit review processes must be iteratively updated to include consideration of emerging evidence, lessons learned, promising practices, and results of prior awards.
 - NOFOs should clearly articulate the criteria that evaluators will use to judge applications and the review and selection process that the selecting official may use in selecting applications (e.g., geographical dispersion, program balance, or equity).¹⁰

Agencies must document their review and selection process for competitive awards, which must be consistent with the criteria, review, and selection information provided in NOFOs.

⁷ See Appendix 2 – Achieving More Equity-Oriented Results for Financial Assistance of M-21-20:

https://www.whitehouse.gov/wp-content/uploads/2021/03/M_21_20.pdf

⁸ See *Managing for Results: The Performance Management Playbook for Federal Awarding Agencies* available at:

<https://www.cfo.gov/wp-content/uploads/2021/Managing-for-Results-Performance-Management-Playbook-for-Federal-Awarding-Agencies.pdf>

⁹ See 2 CFR Part 200.205, *Federal awarding agency review of merit proposals*.

¹⁰ See Appendix 1 to 2 CFR Part 200, *Full Text of Notice of Funding Opportunity*.

Agencies are reminded that OMB guidance at 2 C.F.R. part 200 permits Federal award recipients to use funds for performance management and program evaluation; such costs may include the personnel and equipment needed for data infrastructure and expertise in data analysis, performance, and evaluation.¹¹ Such costs may be direct or indirect. With respect to building agencies' own capacity, see Part II, Section E of this guidance.

3. *Reducing Administrative Burden and Providing Technical Assistance*

Overburdened or disadvantaged communities often lack adequate resources to navigate complex Federal award-making processes. To reduce burden and enhance access for underserved communities, beneficiaries, and capacity-constrained recipients:

- Agencies should leverage to the fullest extent possible existing and new technical assistance resources to support underserved communities in accessing Federal resources, including providing direct Federal technical assistance in accessing grants and other types of financial assistance.
- Agencies are strongly encouraged to build their own capacity and work with their cross-functional team and experts to provide applicants and recipients with technical assistance and support, as appropriate. This includes steps to build recipient evidence-building capacity, including data infrastructure and tools to support evidence for learning and continuous improvement. Agencies should consider offering these types of tools and other technical assistance to help recipients measure the benefits of projects in ways that are minimally burdensome, including tools to help quantify climate change and equity benefits.
- Agencies should, consistent with statutory requirements and in alignment with principles outlined in the E.O. 14058, simplify NOFOs to make solicitations clear and accessible, and also simplify documentation requirements and reduce reporting requirements that may impose undue burdens especially on recipients.
- Agencies should, consistent with statutory requirements, seek opportunities to build common applications for multiple programs and grants to facilitate applications for lower-capacity communities.
- To the extent permitted by applicable law, agencies should seek opportunities to provide technical assistance, including to Tribal governments, territorial governments, or high-poverty, underserved, and rural communities before a final determination of award is made if the agency finds their applications responsive to the articulated review criteria in the program's established application review and selection process but nonetheless incomplete or of low quality. Any such process should ensure the agency delivers awards rapidly and efficiently.
- Agencies should account for the time it takes applicants to learn new processes and navigate challenges in award-making processes when assessing burden on recipients.
- Agencies should use technology to facilitate access to information and applications for Federal resources, including by producing user-friendly online tools and resources incorporating human-centered design principles that increase participation by end users and program recipients and beneficiaries. These tools and resources may include

¹¹ See 2 CFR 200.1 *Definitions, Equipment and Capital Assets*, [2CFR § 200.301 Performance measurement](#), [2CFR § 200.308 Revision of budget and program plans](#), [200.315 Intangible Property](#), [200.318 General Procurement standards paragraph \(e\)](#), [2 CFR § 200.413 Direct Costs](#), Subpart E *Cost Principals*, including [200.439 Compensation Personal Services](#).

applicant and user portals that streamline access to manage multiple awards. To facilitate this, agencies are encouraged to coordinate with the Customer Experience team within OMB and required to work with the Grants Quality Service Management Office on any technology needs to support implementation of IJA funded grant and cooperative agreement programs.

- When filing information collection requests (“ICRs”) with OMB to produce new or updated forms, enrollment processes, and reporting requirements, agencies should incorporate assessments of burden on recipients, as well as burden reduction efforts. Agencies should plan ahead to engage the OMB Office of Information and Regulatory Affairs (OIRA) to navigate the Paperwork Reduction Act (PRA) clearance process under standard PRA procedures.

4. *Financial Assistance Listings*

Agencies’ attention to program design described in the prior section should be reflected in the Assistance Listing for all financial assistance programs. As appropriate, and as further discussed throughout this guidance:

- For all IJA-funded financial assistance programs, prior to the issuance of the first NOFO, agencies are required to submit an updated Assistance Listing at SAM.gov for OMB review.
- Assistance Listings should reflect that agencies have considered relevant approaches to achieving the intended goals and objectives of the program consistent with statutory requirements, including priorities in E.O. 14052, to invest public dollars equitably, create good jobs with high labor standards, ensure goods and services are made in America, and build infrastructure that is resilient and helps combat the climate crisis.
- Assistance listings should document how agencies are planning to use data to measure successful implementation and support evaluation.
- As agencies are designing their programs, they should consider whether the program is “higher risk” for purposes of the Single Audit Act, and include in their publication of the Assistance Listing whether it will be subject to Single Audit review, including whether the program will require dedicated guidance in Part IV of the OMB Single Audit Compliance Supplement.¹² If the program does require Part IV guidance, agencies, should strongly consider including Performance Reporting among the required compliance areas for auditor review.

5. *Community and Stakeholder Consultation in Program Design and Improvement*

To ensure proper consideration is given to all factors that support efficient, effective, and equitable management and implementation:

- In formulating program designs and policies to implement IJA, agencies should, where feasible, conduct meaningful engagement with affected communities to ensure their perspectives and expertise inform policy development and program design and delivery processes. Agencies should focus particularly on underserved communities and

¹² See 2 CFR 200.519, *Criteria for Federal program risk*.

stakeholders who may not have previously benefited from direct engagement by the agency.

- Where feasible, agencies should seek real-time input on how program implementation and project outcomes are affecting underserved communities, to inform ongoing improvements to program design.
- Agencies are also strongly encouraged to work with State, local, Tribal, and territorial governments and representatives from underserved communities while designing programs to ensure that programs advance equity and do not unintentionally limit access to funding opportunities for disadvantaged or underserved communities.¹³
- President Biden’s Presidential Memorandum on “[Tribal Consultation and Strengthening Nation-to-Nation Relationships](#)” directs agencies to engage in robust and meaningful consultation with Tribal Nations. For programs in which Tribal governments are eligible to receive or apply for funding, agencies should proactively engage with Native communities in planning and implementation of funds, including by taking steps to streamline consultation across programs and agencies.

6. OIRA Review and Clearance

In order for the Federal Government to effectively implement IJA, some agencies will also need to issue or revise regulations and guidance. Effective review and interagency coordination are key to ensuring successful implementation. Early coordination is essential to expeditious review of agencies’ regulatory activities. OIRA is available, as required, to assist with setting up briefings, discussions, and other methods to ensure that agencies are able to meet their regulatory policy priorities. In addition, agencies should be aware that as part of its regular review process, OIRA will review the extent to which agencies are consistently incorporating the criteria described in Part II of this guidance in NOFOs, ICRs, significant guidance documents, and implementing regulations that are subject to OIRA clearance. To that end:

- Agencies should build into their implementation timelines sufficient time for review by OMB to ensure programs are designed to achieve results. In particular, agencies should provide sufficient time for OIRA review under E.O. [12866](#) on “Regulatory Planning and Review.”
- Agencies should also be prepared that, as part of OIRA’s regular clearance and review process, OIRA will incorporate a range of factors, including equity factors, into its review of ICRs, significant guidance documents, and implementing regulations subject to OIRA clearance processes.

¹³ See OMB Controller Alert *Applicant Eligibility for Financial Assistance and Types of Nonprofit Organizations (e.g. Labor Organizations and Neighborhood Associations)*: <https://www.cfo.gov/wp-content/uploads/2021/11/ControllerAlertApplicantEligibilityForFinancialAssistanceAndTypesOfNonprofitOrganizations.pdf> and See 2 CFR 200.202, *Program planning and design*; 2 CFR 200.203, *Requirement to provide public notice of Federal financial assistance programs*; and 2 CFR 200.204, *Notices of funding opportunities*.

B. Managing Risk in Program Design

1. Cooperation with Oversight Entities on Significant New and Changed Programs

As noted in Part I, Section C of this guidance, agencies should proactively engage with their IGs, to identify major cross-cutting risks through the use of data analytics¹⁴ and risk assessments, consistent with M-22-04, which noted that “[a]gencies must utilize enterprise risk management practices to identify risks associated with achieving program results.” Agencies can reduce the need for costly, after-the-fact remediation or enforcement by adopting a risk-based approach. This should include early and proactive engagement to share data and best practices on internal controls, and procedures to mitigate risks to achieving program goals and objectives, including to prevent waste. An open and transparent approach to collaborative program design can result in the earlier identification of risk, as well as risk mitigation opportunities.

To help prioritize this proactive engagement on oversight and risk mitigation, OMB will work with agencies to identify significant IJA programs, which will include both new programs and existing programs, where substantial program design is being implemented.

- For these significant IJA programs, agencies must engage with OMB and the agency’s IG for a dedicated joint review meeting. During the meeting, agencies will discuss program design, risk mitigation strategies, financial controls, and data, tracking, and reporting with OMB and the agency’s IG in a proactive, front-end exchange during the program design phase. Topics explored during this joint review meeting may include those noted in M-22-04 under “*Agency-IG Collaboration on New and Changed Programs*,” as well as others. This process was developed by the White House American Rescue Plan (ARP) Act Implementation Team and OMB, and these meetings have promoted proactive and transparent collaboration for new and expanded ARP programs.
- For all IJA programs, pursuant to M-22-04, agency leadership should inform their IG when they are purposely deciding to take on added risk, especially in new or changed programs, in order to expand access to underserved communities, or when leveraging new technology or systems. Agencies should discuss with their IG strategies and effective practices for managing risk in those instances.

The intent of this proactive engagement with IGs is to enhance effective, efficient, and accountable implementation. This engagement also can help inform IG recommendations, provide agencies and IGs with context, and help agencies and IGs identify constructive and actionable next steps. In addition to working with their IGs, agencies should, as appropriate, work with GAO to identify cross-cutting risks and implement outstanding recommendations.

¹⁴ See *Payment Integrity Alert: The Use of Automation and Data Analytics From the Office of Management and Budget (OMB) Office of Federal Financial Management and the Pandemic Response Accountability Committee (PRAC)*: <https://www.cfo.gov/automation-and-data-analytics/> (July 21, 2021).

2. *Payment Integrity*

Effective stewardship of taxpayer funds is a critical responsibility of the Federal Government. It is important for agencies to make payments correctly and take appropriate actions at the front end to prevent improper payments from being made. To those ends:

- Agencies must ensure that proper consideration is given to the relevant payment integrity risk factors referenced in OMB Memorandum [M-21-19](#) on “Transmittal of Appendix C to OMB Circular A-123, Requirements for Payment Integrity Improvement, and the Payment Integrity Information Act of 2019.”¹⁵
- Agencies must determine if those factors are significant enough to warrant the implementation of additional payment integrity risk mitigation strategies prior to disbursing funds.
- Agencies must confirm a program-level approach to financial management controls and risk mitigation strategies in program implementation plans, consistent with Part II, Section A(1) of this guidance.

C. Public Reporting of Financial and Award Data

To ensure robust and transparent reporting of IJIA investments, agencies are required to report information about obligations and outlays. For IJIA-funded programs:

- Agencies should follow existing Government-wide reporting requirements as established by the Federal Funding Accountability and Transparency Act, as amended by the Digital Accountability and Transparency Act.
- Agencies are required to report monthly,¹⁶ including award outlays, to USAspending.gov for all funding.
- Agencies are instructed to use the Disaster and Emergency Funding Code (DEFC) and track IJIA funding with either DEFC domain value “Z” or “1” in their monthly Government-wide Treasury Account Symbol Adjusted Trial Balance System reporting.
 - Agencies are required to include these DEFC values in their reporting to USAspending.gov and to the DATA Act Broker for display on USAspending.gov.
 - In all instances where agencies cannot use the DEFC attribute to track IJIA funds, they should contact their OMB representative to determine alternative methods of tracking these funds.

Award descriptions and subaward data available on USAspending.gov are also critical to ensuring accountability and transparency, as they are the primary means to inform the public of the purpose of Federal awards and where the funding ultimately goes. To improve the quality of these award descriptions:

- Before issuing any financial assistance awards from IJIA funding, agencies should review their existing responsibilities, evaluate their current processes and the quality of the

¹⁵ Agencies should also review the *Payment Integrity Alert: Risk Factors and Suggested Mitigating Strategies from the Office of Management and Budget (OMB) Office of Federal Financial Management and the Pandemic Response Accountability Committee (PRAC)* available at: <https://www.cfo.gov/payment-integrity-alert-prac/>.

¹⁶ See OMB Memorandum M-20-21, *Implementation Guidance for Supplemental Funding Provided in Response to the Coronavirus Disease 2019 (COVID-19) (Apr. 10, 2020)* available at: <https://www.whitehouse.gov/wp-content/uploads/2020/04/Implementation-Guidance-for-Supplemental-Funding-Provided-in-Response.pdf>.

award descriptions they generate, and take additional steps, as required, to report detailed and accurate award descriptions at the time of award. OMB will continue to work with agencies together and individually to support these efforts.

- It is also each agency’s responsibility to implement processes that support the overall quality of subaward data, including monitoring financial assistance recipient non-compliance with reporting requirements and, when required, taking appropriate actions.¹⁷
- Agencies are required to include an annual review of the quality of their financial assistance award descriptions and financial assistance subaward data quality for all programs in their DATA Act Data Quality plans required by the cover memo of Appendix A to OMB Circular A-123 on Management of Reporting and Data Integrity Risk.¹⁸ This memorandum extends the Data Quality Plan requirement as described in that memorandum until IJA funds are expended. The requirement for annual reviews supersedes and replaces the requirement in OMB Memorandum [M-21-20](#) on “Promoting Public Trust in the Federal Government through Effective Implementation of the American Rescue Plan Act and Stewardship of the Taxpayer Resources” to submit quarterly award description data quality reports to OMB.¹⁹
 - These reviews should include testing of a statistical sample of records to ensure that award descriptions, reporting of subawards, and post-award reporting comply with OMB guidance.²⁰
 - Agencies must consider the results of that testing in their process for producing the management assurance statement included in their agency financial report.

D. Post-Award Data and Reporting

For all IJA-funded grant and cooperative agreement programs, post-award reporting that shows progress toward achieving outcomes is also critical to maintaining accountability to taxpayers and advancing equity priorities. To be successful, the Administration will prioritize post-award reporting of key pieces of data with the following goals in mind: executing programs efficiently and effectively; promoting transparency and building trust; delivering exemplary customer experience for recipients; and building capacity for evidence building.

To accomplish these goals, for IJA-funded grant and cooperative agreement programs, agencies should:

- Collect and report, as applicable, post-award information on the status of award-specific goals and objectives, including project-level location data and the phase of project-level implementation.²¹
- Use existing data collections where possible and identify opportunities to improve and streamline current data collection, tracking, and reporting processes.

¹⁷ See OMB policy at 2 CFR 200.339 Remedies for noncompliance.

¹⁸ See OMB policy at Memorandum M-18-16 Appendix A to OMB Circular A-123 Management of Reporting and Data Integrity Risk: <https://www.whitehouse.gov/wp-content/uploads/2018/06/M-18-16.pdf>

¹⁹ See OMB policy at Memorandum M-21-20, *Promoting Public Trust in the Federal Government through Effective Implementation of the American Rescue Plan Act and Stewardship of the Taxpayer Resources*.

²⁰ See OMB Memorandum M-21-20, and 2 CFR Parts 25 and 170.

²¹ Consistent with 2 CFR 200.336, this information should, whenever practicable, be collected, transmitted, and stored in open and machine-readable formats. The information collected must follow 2 CFR 200, including §200.301 Performance measurement, §200.328 Financial reporting, and §200.329 Monitoring and reporting program performance.

- Explore alternatives to new data collection, tracking, and reporting, including cross-agency and intergovernmental data sharing, data modeling, or other approaches that may provide sufficient specificity.
- Employ common information collection requests, when applicable, as required by 2 C.F.R. § 200.329.
- Ensure any planned information collection that is subject to the Paperwork Reduction Act (“PRA”) undergo OIRA review prior to collection.²²

Recognizing the challenges and potential burden associated with collecting this level of detail for IJJA programs, OMB and the Office of Science and Technology Policy (“OSTP”) will work with agencies on opportunities to streamline the collection of this data and take a program-specific approach, including how “project-level” information and “phase” data might be most effectively and efficiently defined, captured, and reported, including any case-by-case instances where it is not feasible to collect certain data for a given program. This program-specific approach will also include the review of appropriate reporting requirements for programs other than grants or cooperative agreements, and consider the appropriate timing and phasing of this reporting, as well as opportunities to support data and reporting capacity among recipients and to better leverage existing data collections, stop collecting data that are of low value, and find efficiencies when collecting data of high-value. This may include partnering with agencies on the development of new common forms and the use of externally available sources of data.

E. Agency Workforce and Hiring to Meet Program Needs

To achieve IJJA’s goals, and to mitigate risk, agencies will need to engage in substantial efforts to hire qualified program staff and professionals to carry out the work at headquarters and field offices, as well as mission-support staff including human resources, contracting officers, grants managers, and data scientists. The Office of Personnel Management (OPM), together with OMB, will help agencies meet this need, by using existing hiring processes and authorities, as well as new authorities created in IJJA.

To assess future workforce needs, agencies are strongly encouraged to develop short-, medium-, and long-term strategic workforce plans. As part of this workforce planning:

- Agencies should consult with OPM and OMB to keep abreast of how OPM tools and assistance can be best deployed to meet Government-wide workforce needs.
- In addition to hiring the program staff and subject-matter experts needed to design and implement specific programs, agencies should build agency-wide capacity across:
 - Financial management, grants management, and oversight staff to steward expanded resources and strengthen program and payment integrity;
 - Staff to engage in evidence building and use, including evidence-informed program design, data generation and analysis, and evaluation, as discussed in Part II, Section 2 of this guidance;
 - Field staff to provide technical assistance and support to communities, funding recipients, and beneficiaries;

²² For additional guidance of the PRA approval process, including clearance of “common forms,” see [A Guide to the Paperwork Reduction Act \(digital.gov\)](#).

- Offices or divisions within the agency that are responsible for advancing civil rights or whose mandates specifically include serving underserved or disadvantaged communities, and staff throughout the agency with demonstrated equity expertise, to build agency capacity for equity-focused IJA implementation, and to meet the directives of E.O. [14035](#) on “Diversity, Equity, Inclusion, and Accessibility in the Federal Workforce;”
 - Tribal relations or Tribal affairs offices to coordinate with and expand technical assistance and support for Tribal governments related to IJA delivery;
 - Staff to coordinate with and expand technical assistance and support for territorial governments related to IJA delivery, if needed to support the agency teams that will partner with territorial governments, described in Part I, Section B of this guidance; and
 - Staff to coordinate with and expand technical assistance and support for rural communities and stakeholders related to IJA delivery, if needed to support the Rural Desk Officers described in Part I, Section B of this guidance.
- Agencies should build the following elements into their plans for recruiting, hiring, onboarding, and workforce engagement and retention: the commitments in the agency’s Diversity, Equity, Inclusion, and Accessibility strategic plans pursuant to E.O. 14035; policies on pay equity; steps to advance early career hiring; and other actions consistent with the first priority of the President’s Management Agenda on strengthening and empowering the Federal workforce.