

Controller Alert: Leveraging Employer Identification Number (EIN) to Promote Transparency and Accountability

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

The purpose of this Controller Alert is to provide notice, pursuant to [M-21-03](#), that OMB, Internal Revenue Service (IRS), General Services Administration (GSA), Department of Commerce’s Federal Audit Clearinghouse (FAC), and the Department of Treasury (Treasury) are aligning policy with systems to accommodate the public display of EINs for recipients of financial assistance beginning as early as FY21 on USASpending.gov.¹ This action will not result in any additional data collection or reporting requirements for Federal awarding agencies or recipients.

On November 12, 2020, OMB issued OMB Memorandum M-21-03,² which provides:

The Federal Government must provide a data-centric risk-based framework necessary to deliver better results to the American public and steward resources. Leveraging existing data to assess and manage recipient risk supports a risk-based performance framework that balances compliance requirements with demonstrating successful results to the American taxpayer. In support of these efforts, effective FY2021 USASpending.gov will display relevant recipient data and information that can be made available through certain linkages, such as the Employer Identification Number (EIN) available from the System for Award Management. In support of promoting accountability and transparency, OMB will convene a working group to identify additional opportunities and recommendations to leverage and link existing recipient data.

The display of the EINs on USASpending.gov will increase transparency for entities that are receiving financial assistance from the Federal government. The EIN is linked to key reports such as the Single Audit, Federal Financial Filings (e.g., 990’s), and other recipient data present in the System for Award Management (SAM).

In support of this requirement, OMB is taking the necessary steps with agency partners to publicly display EIN data for recipients of financial assistance that is collected in SAM on USASpending.gov in FY 2021.

To implement this requirement in FY 2021, as directed in the memorandum, GSA, IRS, Treasury, and FAC in concert with OMB will consider how to appropriately update the consent language in the SAM Memorandum of Understanding (MOU) to explicitly allow for the financial assistance EIN to be publicly displayed on USASpending.gov. This will be effective for all entities receiving only financial assistance that are either newly registering or renewing their SAM registration after the consent is updated in FY 2021.

¹The display of EINs is limited to entities receiving only financial assistance awards. Entities receiving federal contracts are excluded, even if they also receive federal financial assistance awards.

²<https://www.whitehouse.gov/omb/management/office-federal-financial-management/>