UNITED STATES DEPARTMENT OF COMMERCE
Office of the Chief Financial Officer and
Assistant Secretary for Administration
Washington, D.C. 20230

FINANCIAL ASSISTANCE MEMORANDUM 2027-01

ACTION

MEMORANDUM FOR: **DEPARTMENT OF COMMERCE GRANTS COUNCIL**

FROM: Olivia J. Bradley
Senior Procurement Executive and
Director for Acquisition Management

OLIVIA BRADLEY Digitally signed by OLIVIA BRADLEY Date: 2026.11.20 11:31:05 -05'00'

SUBJECT: Specific Award Condition: Transparency, Accountability, and Oversight Required; Federal Financial Assistance Recipient Fraud Awareness Training Requirement

Purpose

This Financial Assistance Memorandum (FAM) provides guidance to Department of Commerce (DOC) Grants Officers on implementing the Specific Award Condition (SAC) titled "Transparency, Accountability, and Oversight Required; Federal Financial Assistance Recipient Fraud Awareness Training Requirement" and outlines the requirements for Grants Officers to provide recipients with access to the training and document recipient compliance with this SAC.

Background

The mission of the DOC is to create conditions for economic growth and opportunity for all Americans. The DOC takes seriously its role as a steward of public funds, as entrusted by the American taxpayers, in service of that mission. We are committed to ensuring that every dollar that goes out the door is used lawfully, efficiently, and as intended. Fortunately, this commitment is not unique to the DOC: it is shared throughout this Administration and has consistently remained a top priority of the President, as demonstrated by the recent establishment of the Task Force to Eliminate Fraud.

Robust fraud detection, prevention, and oversight measures for existing and future financial assistance awards are central to this effort. To that end, the DOC is instituting a new SAC that requires training and certification requirements, ensuring greater control and transparency over taxpayer funding.

The SAC requires recipient Key Personnel[1] to complete training within 90 days of the date of a

[1] As defined in the SAC, Key Personnel include those responsible for managing the Recipient's finances and overseeing any contractors, sub-contractors, or subrecipients (for financial matters and/or general oversight related to this award). *See* Attachment A.

new award or amendment incorporating the SAC, maintain documentation of compliance, and produce those documents, upon request. This requirement applies throughout the lifecycle of the award, including Key Personnel changes requiring pre-approval in accordance with 2 C.F.R. § 200.308.

Required Actions

For all new awards issued on or after January 1, 2027:

The Grants Officer must incorporate the SAC (Attachment A), titled 'Transparency, Accountability, and Oversight Required; Federal Financial Assistance Recipient Fraud Awareness Training Requirement' into all new awards and provide the recipient with the Federal Financial Assistance Recipient Fraud Awareness Training and Certificates of Completion (Attachment B).

For all existing awards:

The Grants Officer must incorporate the SAC (Attachment A), titled 'Transparency, Accountability, and Oversight Required; Federal Financial Assistance Recipient Fraud Awareness Training Requirement' into all existing awards and provide the recipient with the Federal Financial Assistance Recipient Fraud Awareness Training and Certificates of Completion (Attachment B) by March 1, 2027.

Operating Units that already have a SAC and recipient fraud training requirement in existing awards that are equivalent to the DOC SAC and fraud training requirement are not required to apply the SAC (Attachment A) or Fraud Training (Attachment B) to those existing awards.

Applicability

This FAM does not apply to awards with a period of performance end date within 90 days of the effective date of this FAM.

Effective Date

This FAM is effective upon date of signature and remains in effect until rescinded.

Questions

Please direct any questions regarding this FAM to Lauren Withum at LWithum@doc.gov.

Attachments

Attachment A: Specific Award Condition 'Transparency, Accountability, and Oversight Required; Federal Financial Assistance Recipient Fraud Awareness Training Requirement.'

Attachment B: Federal Financial Assistance Recipient Fraud Awareness Training and Certificates of Completion