



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF CAREER, TECHNICAL, AND ADULT EDUCATION

PROGRAM MEMORANDUM 26-6

DATE: July 27, 2026

TO: State Directors of Career and Technical Education
State Directors of Adult Education

FROM: Casey K. Sacks, Ph.D. /s/
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SUBJECT: Mandatory Written Payment Request Justification and Implementing Executive Order 14222

Purpose

This Program Memorandum provides guidance regarding the requirements for submitting written payment justifications when drawing down federal grant funds. This guidance is issued in alignment with Executive Order 14222, Cost Efficiency Initiative (hereafter referred to as DTS, short for *Defend the Spend*) and aims to ensure transparency and accountability in federal spending. It includes models to assist grantees in preparing accurate and compliant written payment justification requests.

Action Requested

Please disseminate this guidance to all staff responsible for submitting payment requests through Payment Management System (PMS).

Background

The President's DTS initiative, outlined in Executive Order 14222, dated February 26, 2025, emphasizes transforming federal spending to ensure transparency and accountability to the American public. A key component of this initiative requires federal agencies to establish systems for recording and justifying payments issued under federal contracts and grants.

To streamline processes, enhance consistency across federal programs, and support the integration of the public workforce system, OCTAE grantees have transitioned from the G5 system to PMS. This transition centralizes payment processing, aligns with the Executive Order's mandate for improved financial accountability systems, and fosters consistency with federal partners, ensuring a standardized and transparent approach to grant fund disbursement and oversight. PMS, which is operated by the Department of Health and Human Services (HHS) and used by partner agencies like the Department of Labor (DOL), was updated on March 17, 2025, to include a mandatory payment request justification field to comply with DTS. What follows is guidance for providing payment justifications within PMS.

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Guidance on Payment Justifications

All OCTAE grantees must provide clear, detailed justifications for each payment drawdown.

A. Required Detail for Justifications:

Every payment justification must include all the following elements. These function as the “core steps” grantees are expected to complete.

1. Program Name

Identify the OCTAE program associated with the request (e.g., Perkins V, AEFLA)

2. Expense Categories & Amounts

List the relevant budget items or expense categories with amounts that total the payment request.

3. Date range

Provide the start and end dates for the actual costs included.

4. No Personally Identifiable Information (PII)

Do not include names, employee IDs, SSNs, or any other PII.

Justifications should be complete but brief. Use precise wording that conveys the required program, costs, and dates without additional narrative. The goal is clarity and compliance within a 255-character limit.

B. Models of Fully Developed Justifications

These models illustrate what a complete, high-quality justification should contain. They reflect the level of detail expected for compliance.

Model 1: 109 characters

“Perkins V: Personnel \$42,500, Fringe \$12,750, Materials \$6,200; Dates 01/01/2026–03/31/2026; Contract \$18,000; Ops \$4,300.”

Model 2: 124 characters

“AEFLA: Personnel \$38,200, Supplies \$4,850, Assessment \$7,300; Dates 02/01/2026–04/30/2026; Contract services \$15,000; Ops expenses \$3,900.”

C. Sentence Frame

This frame supports consistency across grantees:

- “[Grant Program Name]: [Line item] \$, [Line item] \$, [Line item] \$; Dates [start]–[end].”

D. Final Submission Checklist

Before submitting a payment request, verify that:

- ☐ The program name is identified
- ☐ All line items are listed with precise amounts
- ☐ The expenditures sum to the drawdown total
- ☐ A valid date range is included
- ☐ No PII is included

Payment Request Justification Clarification

Grantees who have followed the guidance above will experience no delays in accessing funds.

In the event a grantee submits an invalid written payment justification and a clarification is required, the grantee will receive an email from their program officer that will contain specifics on what

clarification is needed. Once the recipient submits an updated justification responding to the clarification request, payment will be processed. Recipients should respond as quickly as possible and ensure all clarification points are fully addressed so that payments can be processed as quickly as possible.

Drawdown requests that trigger procedural or internal control concerns will be handled according to current policies and procedures.

If any issues arise regarding payment processing, grantees should work directly with their assigned OCTAE Program Specialist.

Support and Resources

For questions regarding payment justifications or the Payment Management System (PMS), please contact PMS Support at PMSSupport@psc.hhs.gov and copy your assigned OCTAE Program Specialist. An online ticket can also be submitted at: https://gditshared.servicenowservices.com/hhs_pms.