

**PRESS****RELEASE**

Edward Pound | Director of Communications
202.254.7930 edward.pound@ratb.gov

Cheryl Arvidson | Assistant Director of Communications
202.254.7910 cheryl.arvidson@ratb.gov

BREAKING NEWS

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Recovery Board Chairman Devaney Reveals New Changes Designed to Improve Data on Recovery Funding

WASHINGTON – The Recovery Accountability and Transparency Board, in a move to improve the quality of data, will allow recipients of Recovery funds to correct mistakes continually throughout each quarterly reporting period, according to Earl E. Devaney, the Chairman of the Recovery Board.

Under existing government guidance, state and local governments, companies, non-profits, universities and other recipients had been able to correct mistakes in their award reports only during a 20-day period after the submission process closes. But the new approach will give them the freedom to make changes in their reports on FederalReporting.gov, the Board's inbound collection website, on a regular basis.

The policy was announced today by Devaney in his Chairman's Corner, posted on Recovery.gov. The Office of Management and Budget is revising its recipient guidance to allow for the change.

"This change, perhaps our most important, should vastly improve the quality of recipient data," he wrote.

Devaney also announced several other changes, including improvements in the presentation of information on Recovery.gov. More about these changes can be found in the Chairman's Corner, the text of which is attached below.

CHAIRMAN'S CORNER

For those of us in government dedicated to transparency in federal spending, these are challenging times. The Recovery program has introduced a New Age of transparency, and we at the Recovery Board are working 24/7 to provide the American people with clear insights into how their money is being spent. The task is not easy, as the initial reports from recipients of Recovery funds made abundantly clear. In October, for the first time, we posted the raw data from recipients of federal contracts, grants and loans on our website, Recovery.gov, and there were recipient mistakes—plenty of them. Call it the downside of transparency. We expected problems, and have been developing technical and content changes to help improve the quality of recipient data and streamline the reporting process for the January reporting period.

The Recovery Accountability and Transparency Board was created by the American Recovery and Reinvestment Act of 2009 to oversee the expenditure of Recovery funds and bring transparency and accountability to the process. The Board consists of a chairman, Earl E. Devaney, and 12 federal Inspectors General. The Board runs the Recovery.gov website that provides information on the Recovery initiatives and spearheads an accountability effort that involves both federal and state investigators and enforcement officials.

In the short term, beginning this week, we are making changes to improve the presentation and accessibility of information on Recovery.gov. We will be adding new and improved functions to the Recipient Data Map, allowing users to word search for subjects contained in award reports, such as transportation, energy, and university. The search results will then be displayed on our maps. In addition, we are unveiling a national jobs summary page that will display the jobs numbers, as reported by recipients, in relation to federal agencies and programs.

We also are including new download features on a landing page identified as, "Errors, Omissions, Non-Reported Awards." A "Significant Errors" download will allow users to view award reports that were included in the October database but known to contain inaccuracies. Another download, "Omissions," will display 12 award reports deliberately omitted from the October posting because they appeared to contain incorrect and/or invalid data. Finally, a third download, "Non-Reported Awards," will display 4,359 missing awards that prime recipients failed to submit as required by the Recovery Act, according to the Office of Management and Budget (OMB).

Now, let me discuss a few of the major technical changes that will take effect in the quarterly recipient-reporting period beginning January 1:

- **Improving data quality.** Under existing government guidance, recipient mistakes in quarterly reports can be corrected only during a 20-day period after the submission process closes. One new change will allow recipients to correct mistakes on a continual basis each quarter on FederalReporting.gov, our inbound collection website. This change also will permit federal disbursing agencies to view recipient reports and suggest corrections on a continuing basis. This new process will begin after the next quarterly recipient reports are posted on January 30. Recovery.gov will then post corrected data publicly every two weeks, beginning on February 10. We believe this new procedure will vastly improve the quality of recipient data.
- **Congressional districts.** In the first reporting period, many recipients entered the wrong congressional district in their reports. This mistake caused us no end of headaches and confusion in the news media, as some reporters mistakenly believed that money had disappeared into "phantom" districts. We have now installed internal logic checks in FederalReporting.gov that will prevent such recipient mistakes. If a recipient's district does not match the zip code entered into a report, the system will not allow the recipient to submit the report until the correct congressional district is entered.
- **Identifying Spending Mistakes.** In some cases, recipients reported spending more money than they actually received. Our internal logic checks will now flag these incorrect entries, preventing recipients from submitting their reports until they provide the correct information. The same goes for recipients who report that they have completed a project when they have not yet received Recovery funds.

That's just some of the changes we have planned, but we cannot do this job alone. Since many recipients did not understand how to correctly report the number of jobs created or saved, OMB will be clarifying its guidance on that issue. OMB also is working closely with federal agencies to improve the agencies' reviews of recipient data for mistakes and other problems. Meanwhile, the Recovery Board, consisting of myself and 12 Inspectors General, plans to assess how well the agencies have performed their quality reviews of recipient reports. We will begin this work after the first two quarterly reporting periods have ended.

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