Government Accountability and Transparency Board
Progress Report
June 2012

In December 2011, the Government Accountability and Transparency Board (GAT Board) provided you with three recommendations that, if implemented, would establish the foundation for a government-wide transparency and accountability solution. The GAT Board also explained that its work would be ongoing and that additional reports would be forthcoming. In this first progress report, the GAT Board is providing an update of the efforts underway to develop the implementation guidelines outlined in the December report.

In the December report, the GAT Board discussed the challenges in executing its recommendations. One major obstacle was eliminated when Congress gave the Recovery Accountability and Transparency Board (Recovery Board) the authority to develop and test information technology resources and oversight mechanisms for enhancing transparency and accountability in all Federal spending. As a result, the Recovery Board is now permitted to collaborate with the GAT Board on an assessment of the feasibility of its three recommendations. The following is a summary of the efforts since December 2011:

Recommendation #1: Government-wide Accountability Framework

In its oversight of American Recovery and Reinvestment Act of 2009 (Recovery Act) funds, the Recovery Board created the Recovery Operations Center (ROC) and the FederalAccountability.gov systems in order to evaluate risk and prevent and detect fraud, waste, and abuse. The GAT Board concluded that the methodologies, processes, and forensic technology platform used by the Recovery Board in the ROC and FederalAccounability.gov should be made more widely available. To test the feasibility of using FederalAccountability.gov as a centralized oversight portal, the Recovery Board is:

A. Conducting pilot programs with several Inspectors General to provide them with access to the ROC's analysts and FederalAccountability.gov. This framework has the potential to open the ROC tools and approaches more fully to investigators and managers throughout the Federal government. The principal goal is to help enforcement officials conduct reviews in order to prevent, interrupt, and detect fraud, waste, and abuse in Federal spending.

B. Conducting pilot programs with several agencies and Inspectors General to test the Recovery Board's FastAlert tool. The Recovery Board developed FastAlert to provide agency and oversight officials a one-stop-shop for quickly reviewing data sources for adverse information on existing or potential awardees. Any searches submitted by application users that appear to match those in FastAlert receive additional internal research conducted by ROC analysts before transmitting the information to the requestor.

In addition to the Recovery Board actions, the Office of Management and Budget (OMB) and the Department of the Treasury (Treasury) established the Do Not Pay solution to aid agencies in detecting and preventing improper payments before they occur. The Do Not Pay tool contains information from several government databases to help agencies identify debarred contractors, deceased individuals, excluded healthcare providers, or people who owe the Federal government non-tax debts. Treasury has also begun adding non-governmental databases such as "the Work Number," which contains employment information from the private sector, and has plans to add additional databases over time. Treasury has also formed a partnership between the Do Not Pay program, administered by the Bureau of the Public Debt, and Treasury's Financial Crimes Enforcement Network to detect and investigate potential fraud. In an April 12, 2012, memorandum, OMB directed the heads of all executive departments and agencies to take immediate steps to use the Do Not Pay solution, or test the Recovery Board's FastAlert tool as an interim step, in conducting pre-award and pre-payment eligibility reviews. Departments are producing plans for OMB review and will begin implementing the Do Not Pay solution in coming months.

These efforts are consistent with the recommendation of the GAT Board for agencies to initiate relationships with centralized fraud-detection and prevention frameworks, rather than approaching accountability data and operations systems in a piecemeal fashion. Each tool is currently designed for particular audiences, with the Do Not Pay solution serving the government-wide management community and the Recovery solution serving the government-wide Inspectors General community. The GAT Board envisions opportunities for consolidation of these central solutions and will pursue such opportunities moving forward.

Recommendation #2: Data Collection and Data Display Phased Integration

The GAT Board strongly supports a single automated electronic collection system with a limited but well-defined set of data elements that promotes consistent reporting and data standardization, eliminates current system redundancies, and reduces recipients' burden of reporting to multiple agencies. This approach could achieve significant savings and foster a common approach to data collection and display for agencies and recipients of Federal funds. To advance the implementation guidelines for data collection and data display in the phased integration plan outlined in the December 2011 report, the following Recovery Board activities are underway:

A. Exploring the use of Recovery.gov as a template for displaying additional spending data, such as information required by the Federal Funding Accountability and Transparency Act that is now posted on USAspending.gov.

B. Launching a pilot program with selected states, counties, cities, and universities and colleges to see whether FederalReporting.gov can be used as a centralized collection point for federal grant data. The pilot program would require recipients to report only one time on their federal grants, providing all the data required by various agencies involved in the grant. That data could then be accessed by the agencies at a single location, eliminating the need for recipients to file separate reports with each agency.

C. Developing technical and policy guidelines for system evaluation to categorize, prioritize, and establish baseline data and approaches to system consolidation.

In addition to these Recovery Board activities, the Department of Defense (DoD) and the Department of Health and Human Services (HHS) are conducting an inter-agency review on data standardization. This review involves formulating recommendations for standardizing grant and contract award data elements and is under consideration by the Federal Acquisition Regulatory Council and the Council on Financial Assistance Reform. DoD is implementing a set of data standards for contracts as well as a contract number index standard for improving data integrity. HHS identified standard data elements for grants that may be adaptable to this data standardization effort.

The GAT Board recognizes there are additional system consolidation endeavors underway, to include the General Service Administration's (GSA) System for Award Management platform. It will evaluate these other efforts to promote the most expeditious and effective course of action.

Recommendation #3 – Universal Award ID

In the December 2011 report, the GAT Board identified steps needed to move the government toward a universal award ID (UAID) system. Such a system would ensure uniformity and consistency of data; enable more efficient and effective audits, reviews, and analyses; and enhance transparency of government spending. The GAT Board concluded the universal award ID would improve transparency for federal contract, grant, and loan awards and make it easier to reconcile the amount of money agencies report paying out with the amounts recipients report receiving. The Recovery Board is engaged in the following activities:

A. Working with a non-profit, Federally Funded Research and Development Center to add additional interviews with selected Federal agencies and award recipients in order to complete the second phase of a feasibility study regarding the implementation of the UAID. The Recovery Board is currently exploring the adoption of a UAID format consisting of selected "intelligent" components (i.e., ones that have visual and/or business significance), a randomly generated alphanumeric component (to help ensure uniqueness), and a check digit (to help ensure validity).

B. Exploring with Treasury the possibility of including the UAID in its payment system records. This solution will integrate and leverage existing systems and existing common award ID protocols and structures as appropriate. The Recovery Board will engage with Treasury along with OMB to provide agencies and recipients of funds the ability to link Treasury payments to specific awards. The Recovery Board will also work to develop an implementation strategy and high-level design for a central repository.

Central to this work is a goal of limiting agency-specific systems costs and any additional administrative complexity in the implementation of a UAID. As a result, the GAT Board will ask the Recovery Board to engage directly with a cross-section of impacted agencies to calibrate the parameters of the recommended solution appropriately. Central agencies such as Treasury and GSA could potentially play a role in implementing the UAID in a manner that limits direct impact on agency-specific operations. The GAT Board understands these agencies have begun initial steps to explore implementation of a UAID. The GAT Board will seek further information about these efforts but expects that this analysis will help inform the feasibility study described above.

Next Steps

The GAT Board hopes results of pilot activities that are expected in late summer will provide the foundation for more concrete government-wide actions. The GAT Board remains committed to establishing the foundation for a sustainable and cost-effective environment for a government-wide transparency and accountability solution. It will continue to aggressively examine and detail the methods for accomplishing this objective and intends to provide you with another report in December 2012.

Finally, the GAT Board notes that Congress is pursuing legislation that would expand the requirements for the collection and display of Federal spending data. The DATA Act, known formally as the Digital Accountability and Transparency Act of 2012, would create a special five-member commission to collect and display the spending data from recipients of government funds. The commission also would be required to closely monitor all spending. The DATA Act passed the House on April 25 and was referred to the Homeland Security and Government Affairs Committee in the Senate for consideration.