

Government Accountability and Transparency Board

A meeting of the Government Accountability and Transparency Board (GAT Board) was held at the Recovery Accountability and Transparency Board (Recovery Board) Office in Washington, D.C. on Wednesday, November 20, 2013, at 10:00 a.m. and continued until 11:32 a.m.

ATTENDEES:

Board Members:

Richard Ginman, Chairman and Director, Defense Procurement and Acquisition Policy, U.S. Department of Defense
Nani Coloretti, Deputy Assistant Secretary, U.S. Department of the Treasury
Norman Dong, Deputy Controller, Office of Management and Budget
Gregory Friedman, Inspector General, U.S. Department of Energy
Allison Lerner, Inspector General, National Science Foundation
Daniel Levinson, Inspector General, U.S. Department of Health and Human Services
Ellen Murray, Assistant Secretary for Financial Resources and Chief Financial Officer, U.S. Department of Health and Human Services
Calvin Scovel, Inspector General, U.S. Department of Transportation

Agency Staff:

Brett Baker, Assistant Inspector General for Audit, National Science Foundation
Ross Bezark, Executive Director, GAT Board and Recovery Board
Benjamin Chan, Policy Analyst, Office of Management and Budget
Sheila Conley, Chief Financial Officer, U.S. Department of Health and Human Services
Kay Daly, Assistant Inspector General for Audit, U.S. Department of Health and Human Services
Nancy Gunderson, Deputy Assistant Secretary for Grants and Acquisition Policy, U.S. Department of Health and Human Services
Christina Ho, Assistant Commissioner, Government-Wide Accounting, U.S. Department of the Treasury
Karen Lee, Chief of Management Controls and Assistance Branch, Office of Management and Budget
Karen Pica, Management Analyst, Office of Management and Budget
Mark Reger, Deputy Assistant Secretary Accounting Policy, U.S. Department of the Treasury
Alice Siempelkamp, Director Web Operations, Recovery Board
Scott Stewart, Director Application Development, United States Postal Service Office of Inspector General
LeAntha Sumpter, Deputy Director, Defense Procurement and Acquisition Policy, U.S. Department of Defense
Cynthia Williams, GAT Board Secretary, Recovery Board

DISCUSSION:

Mr. Ginman called the meeting to order at 10:00 a.m., by unanimous vote of the members present, the minutes of the October 30, 2013, meeting were approved.

Mr. Ginman provided the members with an overview of his November 5, 2013, meeting with Beth Cobert, Deputy Director for the Office of Management and Budget (OMB). He informed the members that Mr. Williams was not available to attend but that Ms. Tighe had joined him for the meeting. Mr. Ginman also informed the members that he provided Ms. Cobert material¹ that described the GAT Board's structure, composition, and information on the four working groups. He remarked that he shared information on the working groups' accomplishments with Ms. Cobert, identified challenges that exist for the GAT Board, and mentioned the key implementation role that OMB plays.

¹ The GAT Board Executive Director distributed a copy of this material to the Board on December 16, 2013.

Mr. Ginman discussed the preparations underway for the January public meeting. He informed the members that OMB will fund the cost to announce the meeting in the Federal Register. The members discussed proposed agenda items and the benefits of various meeting formats. Mr. Dong commented that the meeting might be enhanced by interactive dialogue. Ms. Coloretti discussed the importance of setting participant expectations at the onset of the meeting. She commented that participants should understand that not all suggestions will be actionable.

The members briefly discussed a proposed list of questions that would appear in a draft of the Federal Register notice of the public meeting. These draft questions are designed to help participants shape their presentations and/or submissions to the GAT Board. Mr. Ginman commented that the questions were derived based on the discussion at the October GAT Board meeting. Mr. Levinson commented that broadening the focus of the discussion would help participants understand the magnitude of the challenges facing the GAT Board and its government-wide transparency and accountability mission. Most members agreed that the focus of the discussion should be broader. Several members provided revisions to the existing questions as well as offered new questions concerning uses and expectations for federal spending data. Mr. Ginman informed the members that a new list of questions would be compiled and forwarded to the members. Mr. Ginman asked the members to provide feedback on the revised questions as well as the full Federal Register Notice.²

There was a brief discussion of the status of the U.S. Open Government National Action Plan 2.0 (NAP). A copy of the NAP preview document was provided to the members. Ms. Lee informed the members that the GAT Board additions to the “Increase Transparency in Spending” section of the document had been received³ and an updated public version of NAP should be available December 5. She also informed the members that a follow-up conversation with the stakeholders involved in developing the document would take place later in the week.

The scheduled Financial Management Integration and Data Display working group (working group) presentation then began with an introduction of the presenters by Ms. Coloretti.⁴ Ms. Coloretti provided a brief overview of the working group’s featured presentation. She explained that Ms. Ho and Mr. Reger would provide the members with the findings and recommendations from Treasury’s recently completed feasibility study. Ms. Ho detailed the purpose and scope of the study. She commented it was designed to determine the feasibility of using Award ID as a link between agency financial and management systems. She also commented that subject matter experts from four federal shared service providers (FSSPs) participated in the study. Describing the approach used in the study, Ms. Ho informed the members that the participants were asked a series of questions regarding their current customer base, the current availability of integrated procurement and financial management systems, their ability to link Award ID data through core and subsidiary systems, and estimated costs and time-frames needed to develop and implement an integrated solution.

The members engaged in a detailed discussion of the benefits of linking financial and management systems. Ms. Murray discussed data completeness and questioned if the proposed concept addressed the issue. Ms. Ho commented that the proposal would have many benefits, which include providing a mechanism to improve the accountability of agency financial data, improving the quality of data on USAspending.gov by populating that system with source data from agency core financial systems and

² Notification of the meeting was published in the Federal Register on December 20, 2013. The public meeting was cancelled due to the delayed opening of the Federal Government on January 22, 2014 and later rescheduled for February 7, 2014.

³ On November 12, the Office of Science and Technology Policy requested the GAT Board Chairman provide language on increasing transparency in spending for inclusion in the NAP 2.0.

⁴ Upon approval, the Financial Management Integration and Data Display working group presentation will be posted on www.recovery.gov.

supplemental data maintained in agency management systems, reducing the number of reconciliations performed by agencies to respond to data quality inquiries. The group discussed differing views on data sources, weighing the value of using an authoritative source (e.g., financial management system of record) versus a reporting source (e.g., USAspending.gov).

Mr. Dong commented that the proposal could prove beneficial as a longer-term solution for agency compliance with data validation requirements as outlined in the June OMB memo.⁵ Ms. Coloretti asked about any results from the memo; Mr. Dong stated results are pending. Ms. Lee expects results will be available next fall or winter. Ms. Lee added that the contemplated solution might also reduce agency burden with the data validation requirement, by replacing manual validation processes that are currently in use with more automated processes. Ms. Conley described some of the successes and challenges experienced as the Department of Health and Human Services works to comply with the data validation requirement. Mr. Ginman discussed the need for the implementation of an award identifier (Award ID) in the proposed solution and reminded the members of the pending Federal Acquisition Regulatory Council cases involving the creation and implementation of a government-wide award identifier.

Ms. Ho then summarized the findings and the recommendations from the feasibility study. She reported that the FSSP participants determined that a link to financial and non-financial data contained in agency financial and management systems via an Award ID could be accomplished. She further reported that the participants estimated a 12-18 month timeline for completion, and the need for increased resources to complete the project. Ms. Ho briefly discussed the working group's short-term and long-term recommendations. The members discussed the benefit of allowing all agencies an opportunity to provide feedback on the concept. Mr. Ginman asked if OMB should take the lead on collecting information from all agencies regarding the perceived value of the concept, the timeline for development and implementation, and the level of effort. Mr. Dong agreed that stress testing the concept with a larger group would be beneficial and agreed to put together a proposal for full agency involvement within the next few weeks. Ms. Pica suggested that the Chief Financial Officers within each agency might provide a sound starting point for engaging the agencies in the discussion.

Ms. Ho and Mr. Reger reiterated the working group's recommendation for a phased approach beginning with a small pilot project with the FSSPs. Ms. Ho added that the approach would help maintain momentum and provide useful information as other agencies come on Board. Ms. Ho and Mr. Reger then responded to a few follow-up questions from the members regarding the current and proposed collection of outlays and various other data elements, and the components of the proposed timeline.

Following the working group presentation, the members briefly discussed the proposed DATA Act. They then reviewed the proposed outline for the 2014 GAT Board Annual Plan. Mr. Ginman discussed his expectations for the document. These included descriptions of the 2013 accomplishments for each of the working groups (effectively serving as a 2013 End of the Year report), a listing of realistic objectives for 2014, and the identification of challenges and areas where external assistance is required. Mr. Ginman discussed the timeline for completing the report and suggested a target of early spring for its completion. He asked the members to forward their comments and narratives to him via email.

Ms. Sumpter mentioned that DoD is piloting a beta version of a tool to assist with selecting accurate Product Service Codes, as one way to improve data accuracy. She offered to share information on the pilot with the Board and said the codes are being organized into portfolios or groups. Ms. Murray mentioned that HHS is doing the same.

⁵ Office of Management and Budget, "Improving Data Quality for USAspending.gov" (June 12, 2013). Available at <http://www.whitehouse.gov/sites/default/files/omb/financial/memos/improving-data-quality-for-usaspending-gov.pdf>

There was a brief review of the 2014 proposed meeting dates and the date for the March meeting was corrected. The next GAT Board meeting is scheduled for February 26, 2014.

Cynthia Williams
Secretary

Federal Spending Transparency

November 20, 2013

Background

Open Government

- The Administration had prioritized making government more open and accountable and has taken substantial steps to increase citizen participation, collaboration, and transparency in government
 - *“We will work together to ensure the public trust and establish a system of transparency, public participation, and collaboration. Openness will strength our democracy and promote efficiency and effectiveness in Government.”*
-- President Obama, January 2009

Fiscal Service's Role

- As the federal government's financial manager, Treasury is uniquely positioned to improve the transparency and accountability of federal financial transactions.
- The FY 2014 President's Budget proposes to transfer *USAspending.gov* from GSA to the Fiscal Service.
- Treasury vision: *Provide reliable, timely, and secure Intelligent Data for the purpose of promoting transparency, facilitating better decision making, and improving operational efficiency.*

Common Recommendations to Improve Transparency

▶ Reports and studies conducted by various independent entities

- GAO
- MITRE
- Fiscal Service
- KPMG
- AGA
- Others

▶ Common Recommendations

- Data standardization
- Use of unique “award” ID
- Engagement of the user community

Immediate Challenges - Feedback from USASpending Data Consumers

Category

Feedback

Data Quality

(i.e., link to financial data, improve/expand data inputs)

- Errors, gaps in data
- Incorrect/lack of documentation
- Procurement data is not linked to financial data
- Spending data does not show where work is being performed
- Need authoritative source for financial and grant information
- No formal governance structure over data standards
- Data needs to be more timely
- Define the meaning of "obligation" across the business lines

Consumability of the data

- Data needs to be more easily available in open and machine-readable format
- Some files do not open

User experience

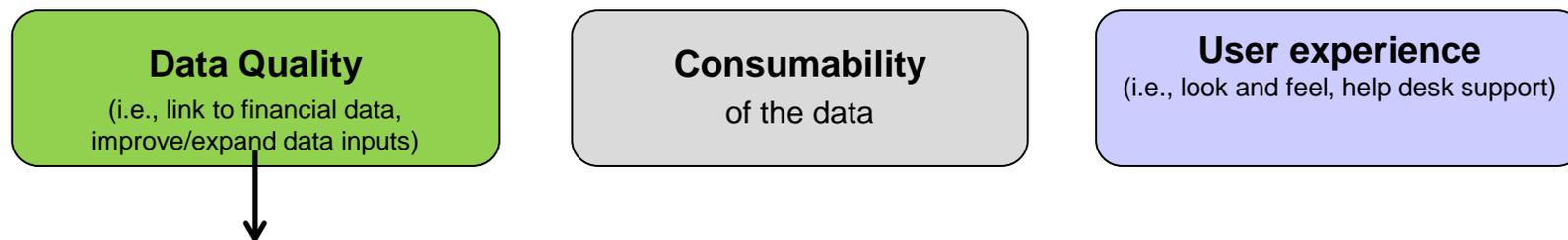
(i.e., look and feel, help desk support)

- Need a better "presentation layer" so USASpending is easier to navigate
- Improve USASpending's search engine
- Lack of information about data quality and compliance
- Need a help desk that supports users questions
- Need to ensure that inquiries on the data are properly routed and resolved
- Need a forum to connect users and producers of USASpending data
- Need a mechanism to offer feedback to USASpending
- Improve the "Data Dictionary" to better explain data methodologies

Feasibility Study: Background and Scope

► Background

To facilitate greater transparency into federal finances, including federal spending, improvements need to be made to USAspending.gov, including improving the:



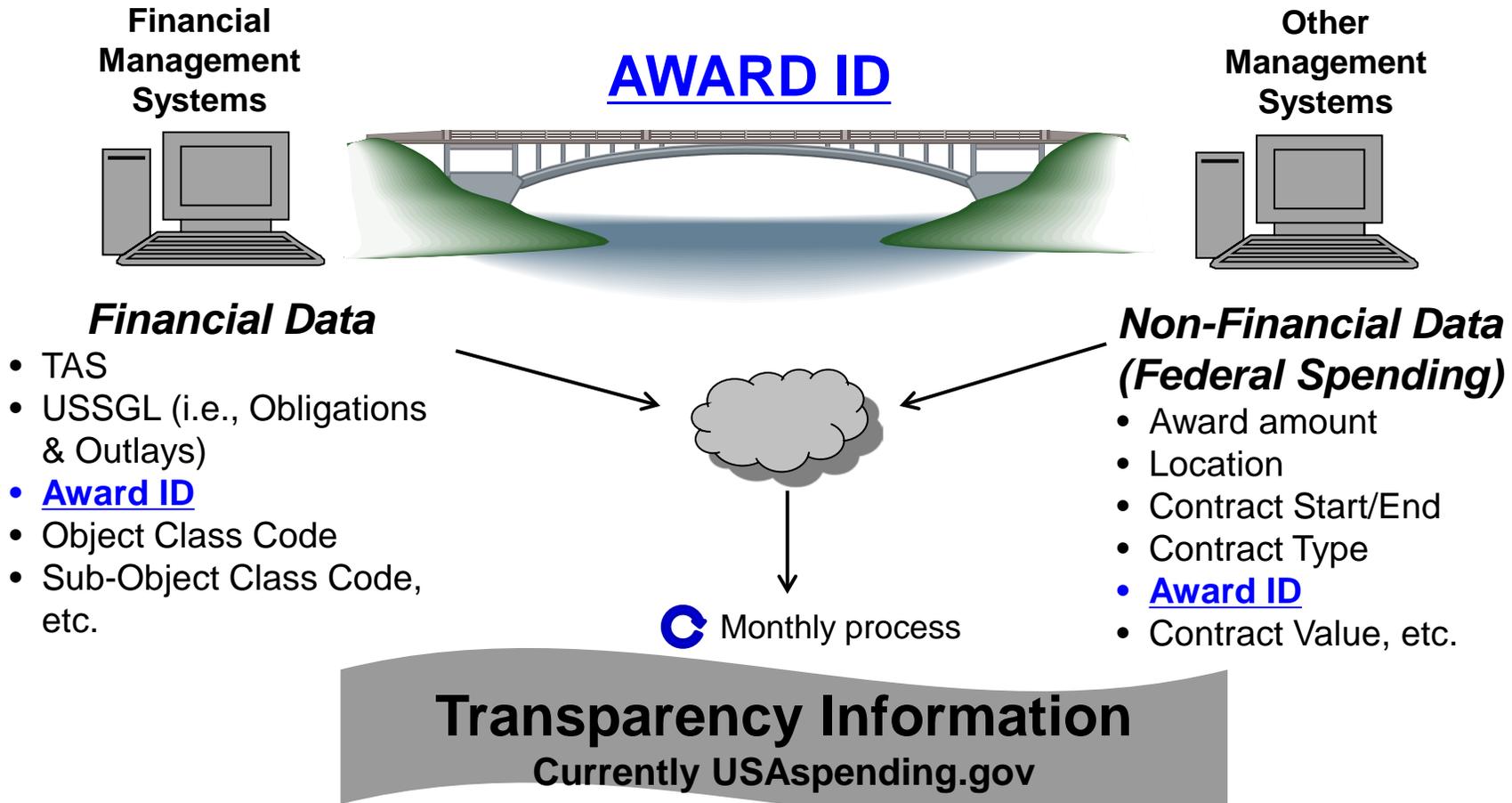
► Scope

The feasibility study focused on improving Financial Data Quality

- In order to improve data quality, the financial data in USAspending.gov should be sourced from the financial data residing in agencies' core financial systems and supplemented by the data maintained in the management systems (i.e., procurement and grants). The data would be linked through the cross-system integration of Award ID and would correspond with the monthly statement close cycle.
- Fiscal Service conducted a study to assess the feasibility of integrating the Award ID into financial and management systems.
- The scope of the feasibility questionnaire was limited to current Federal Shared Service Providers (FSSPs)
- The scope of the study was NOT government-wide, as agreed to by OMB and Treasury management.

Treasury Approach – Data Quality

Linking Financial Data to Non-Financial Data



Progress-to-date: Feasibility Study

▶ Scope

- Fiscal Service conducted a feasibility study focused on improving Financial Data Quality
- In order to improve data quality, the financial data in USAspending.gov should be sourced from the financial data residing in agencies' core financial systems and supplemented by the data maintained in the management systems (i.e., procurement and grants). The data would be linked through the cross-system integration of Award ID and would correspond with the monthly statement close cycle.
 - The scope of the feasibility questionnaire was limited to current Federal Shared Service Providers (FSSPs)

▶ Results

- FSSPs have **determined that it is feasible** to link financial data between the financial management system and non-financial subsidiary systems via the Award ID on a monthly basis; however, additional time and resources are required to build the capability. The level of effort ranges from 12 to 18 months.

A Path Forward (pending funding and designation)

Provide incremental improvements to USAspending.gov

- Develop USAspending.gov improvement plan
 - Implement the Award ID solution with FSSPs
 - Make tactical improvements to improve consumability and user experience of the website
- Establish a stakeholder engagement process
- Formalize the role of advisory group
- Establish a data governance process
- Develop a communications Plan to inform key stakeholders

A Path Forward (pending funding and designation)

Expand the availability of better quality data incrementally

- Conduct an independent study on data transparency
- Define the overall data transparency strategy
- Develop a prototype leveraging industry standards that convey the concepts of Intelligent Data and an implementation strategy/roadmap for governmentwide rollout.
- Begin establishing a forum of governmental and nongovernmental representatives to collaboratively develop metadata standards for federal spending and other general ledger components.
- Develop an outreach model for data consumers, providers, and innovators

Thank You



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Fiscal Service
U.S. DEPARTMENT OF THE TREASURY