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 Thursday, May 23, 2013, at 10:00 a.m. and continued until 11:25 a.m.

ATTENDEES:

Board Members:

Richard Ginman, Chairman and Director, Defense Procurement and Acquisition Policy, U.S. Department of Defense
David C. Williams, Vice Chair and Inspector General, U.S. Postal Service
Norman Dong, Acting 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 III, Inspector General U.S. Department of Transportation
Kathleen S. Tighe, Inspector General, U.S. Department of Education

Agency Staff:

Brett Baker, Assistant Inspector General for Audit, National Science Foundation
Ross Bezark, Executive Director, GAT Board, and Chief of Staff, Recovery Board
Victoria Collins, Policy Analyst, Office of Management and Budget
Kristine Conrath, Acting Director, Financial Innovation and Transformation, U.S. Department of the Treasury
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 Pica, Management Analyst, Office of Management and Budget
Atticus Reaser, General Counsel, Recovery Board
Mark Reger, Deputy Assistant Secretary Accounting Policy, U.S. Department of the Treasury
Dorrice Roth, Deputy Chief Financial Officer, Department of the Treasury
Alice Siempelkamp, Assistant Director, Transparency, Recovery Board
Scott Stewart, Director of Applications, U.S. Postal Service, Office of Inspector General
LeAntha Sumpter, Deputy Director, Defense Procurement and Acquisition Policy, U.S. Department of Defense
Cynthia Williams, Board Secretary, Recovery Board
Michael Wood, Executive Director, 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 April 24, 2013, meeting were approved. Mr. Ginman announced that Mr. Dong has replaced Mr. Werfel as the member representative for the Office of Management and Budget (OMB). The members welcomed Mr. Dong to the GAT Board. There was a brief discussion of the OMB and GAT Board working relationship and the need for maintaining the momentum and

direction achieved with the support of Mr. Werfel. Mr. Dong commented that OMB remains committed to the work of the GAT Board. Mr. Ginman asked the members whether a near-term visit with OMB leadership, in order to discuss the GAT Board, would be beneficial; the members encouraged such an event to ensure OMB senior leadership visibility into GAT Board initiatives.[1] The group also discussed whether it should submit a report to the Vice President, through OMB, at the mid-point in the calendar year as it had the prior year. The members decided this was not necessary, unless the forthcoming visit with OMB senior leadership indicated otherwise.

The Financial Management Integration and Data Display working group, led by Ms. Conrath, and assisted by Ms. Ho and Mr. Reger, provided the members with a briefing on the Department of the Treasury's (Treasury) long-term vision for data quality and transparency as well as the financial initiatives underway to implement its vision.[2] Ms. Conrath identified three areas for improvement within the current state of transparency for federal financial data. These were improving the quality of data, improving the presentation of data on websites such as USASpending.gov, and improving data access.

Ms. Conrath summarized Treasury's broad vision for accomplishing improvements in the three areas discussed and provided the members with a description of their proposed solution. She emphasized the approach is centered on the development of intelligent data, which is structured and manageable, leveraging tagging technology, relying on an open data environment, and using industry standards. She explained Treasury's vision of building an intelligent data solution would allow data to be accessed by tagging and linking to source systems rather than collecting and warehousing data in a separate system.

Ms. Conrath outlined four work streams within the Treasury approach, ranging from the initial work stream that collects and presents summary level data to the final work stream that fully realizes and uses standard intelligent data within all Treasury financial systems to support financial reporting and transparency needs. Ms. Ho described Treasury's current data collection processes and time-frames, stating that the initial work stream is just underway and the final work stream is part of a long-term solution. She also outlined the objectives envisioned in both the short-term and long-term visions.

Several members raised questions regarding the approach for collecting new, non-standard data elements. There was a detailed discussion of data standards to collect spending data at the program level and other levels not yet standardized. Mr. Reger provided the members with examples of the challenges of standardizing the program data elements. The members also debated the need for global versus local data standardization requirements. Ms. Murray noted that data standard needs may be different for each agency. Ms. Tighe commented that agency distinctiveness need not preclude the implementation of a global unique award identifier (UAID). Mr. Williams questioned the ability to develop a government-wide accountability approach without global data standards. Ms. Ho remarked that the key is to develop a standard way of defining data across the federal government. Ms. Conrath noted that Treasury is not proposing a one size fits all standardization approach for all data elements.

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[1] The GAT Board Chairman, GAT Board Co-Chair, and the RAT Board Chair met with the acting OMB Deputy Director for Management, Mr. Steve Van Roekel, on June 11, 2013.

[2] Upon approval, the Financial Management Integration and Data Display working group briefing is expected to be made available on FederalTransparency.gov.

The members engaged in a discussion on data security. Ms. Conrath informed the members that the security of data is an important part of the overall data transparency discussion. The Treasury solution envisions security at the data level, not perimeter, and would entail access tiers. She commented that, as part of Work Stream 1, a feasibility study is planned to address several critical factors, including the types of data to be displayed, cost effectiveness of data display, the best approach for implementing an award ID, and the degree to which contract and grant spending data elements need to be standardized. Ms. Lerner commented that some grant spending data are not currently available beyond the sub-recipient level and cautioned that expectations for obtaining detailed level data may need to be managed. Ms. Tighe added that a survey of the accountability community would be helpful in determining data needs. Ms. Lerner suggested that members engage in a follow-up meeting to brainstorm ideas for identifying and collecting grant data at lower more detailed levels.

A brief discussion of performance and outcome based data ensued. Mr. Williams questioned the ability to compare and contrast data across all federal agencies if agencies follow different standardization approaches. Mr. Reger reminded the group that the Treasury solution will not solve all issues but will create the link between agency financial and management data systems. Most members agreed that a solution that includes the collection and display of performance data would be beneficial. The group mentioned the importance of the anticipated OMB memorandum on data quality, which members have previously seen in draft format.[3]

The members discussed the timeframe for completing the work streams, citing an interest in knowing dates, actors, dependencies, and other typical project elements. Ms. Conrath informed the members that much of the way forward on the work is dependent on the result of the feasibility study, which is scheduled to conclude in July. She also informed the members that subject matter experts from five agencies and service providers comprise the feasibility study group. Most members agreed that Treasury should broaden the membership of the feasibility study group to include representatives from various other agencies and groups. Ms. Conrath was invited, and agreed, to provide a status of the feasibility study group recommendations at the July GAT Board meeting.[4]

Ms. Conrath provided a detailed account of the processes needed to accomplish the first work stream. She informed the members that a cross-functional team within Treasury and members from several federal agencies are collaborating on this effort. She added that completion of the initial work stream is estimated for 2014.

There was then a discussion of the role of the GAT Board in coordinating and aligning efforts of various groups. Several members commented that the role of the GAT Board is to ensure that efforts leading to federal accountability and transparency occur. Mr. Wood commented that members of academia and the public should be included in the development process. He reminded the group that transparency needs are very different for these groups of people and cautioned that the current approach appears to have a narrow "inside the beltway" view of transparency. Mr. Dong

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[3] The OMB memorandum was issued as follows: Memorandum for Chief Financial Officers: *Improving Data Quality for USAspending.gov*, Deputy Controller, Office of Management and Budget (June 12, 2013).
[4] Under the original Calendar Year 2013 schedule, the Financial Management Integration and Data Display working group was slated to present on October 13, 2013, a timeslot that the Procurement Data Integrity working group assumed in order to free up the July 2013 meeting for the Financial Management Integration and Data Display working group.

commented on the importance of public engagement but added that the needs of the federal agencies and accountability community must first be met.

Following the conclusion of the featured working group presentation, the Data Analytics working group, led by Mr. Williams, discussed the status of the draft document it provided at the April 24 meeting. Mr Williams asked for clarification on the use of the document and the target audience. Mr. Ginman commented that the paper should outline the GAT Board's approach to a government-wide data analytics solution and how it can best be accomplished. The members agreed to provide comments on the document to Mr. Williams. Mr. Williams commented that he would provide an updated draft document to the members in June.[5]

Mr. Ginman reminded the members that the next meeting will include a briefing from the Grants Data Integrity and Standardization working group.

The next GAT Board meeting is scheduled for June 26, 2013.

Cynthia Williams
Secretary

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[5] The revised draft Data Analytics document was forwarded to the Board Secretariat for distribution 6/19/2013.

Current State of Transparency

Importance of Quality Data for Transparency

With the evolution of USAspending.gov, the public has unprecedented access to data on Federal spending resulting from Federal awards, such as contracts, grants, and other financial assistance. For USAspending.gov to provide current and accurate information, we must take steps to ensure data reliability and quality. Reliable data allows the public to trust in the information the Government provides and to use that information to make informed decisions about Government programs and projects. It allows Federal managers to analyze and better structure Government programs to prevent waste, fraud, and abuse. Further, reliable data provides those with an oversight function with the assurance that agencies and programs are accountable for the Federal funds spent.

Areas for Improvement

- Improve quality of financial data presented

- Improve usability, look and feel of the USAspending.gov website

- Centralize the location of existing transparency information

Treasury Data Approach

Broad Vision

Provide reliable, timely, and secure Intelligent data[1] for the purpose of promoting **transparency**, facilitating better decision making, and improving operational efficiency.

Proposed Treasury Solution

- Improve the quality of financial data by:
  - Using financial data from agency financial systems, linking it to data from agency management systems, and then validating the financial data against existing authoritative Treasury data to present a complete transparency picture.

- Improve the usability of the website by:
  - Gathering feedback on the existing website and leveraging the success of other websites (Federal and State)

- Leverage the vast amount of financial information at the Fiscal Service to support potential future transparency needs

[1]Intelligent data is financial and non-financial data that is tagged with metadata. Metadata is structured information that describes, explains, locates, or otherwise makes it easier to retrieve, use, or manage data. Improved information searches and availability to query data across the government; users can query what they want and when they want it.

PRE-DECISIONAL/FOR DISCUSSION PURPOSES ONLY

Treasury Data Approach

Work Streams (Note: these are subject to change)

Work Stream 1
- Collect and present summary appropriation, obligation and outlay data by: Award ID and Object Class Code.

Work Stream 2
- Collect and present summary appropriation, obligation and outlay data by: Award ID, Object Class Code, and <u>Sub-Object Class Code.</u>

Work Stream 3
- Collect and present summary appropriation, obligation, outlay, and <u>collection</u> data by: Object Class Code, Award ID, Sub-Object Class Code, and <u>Program</u>.
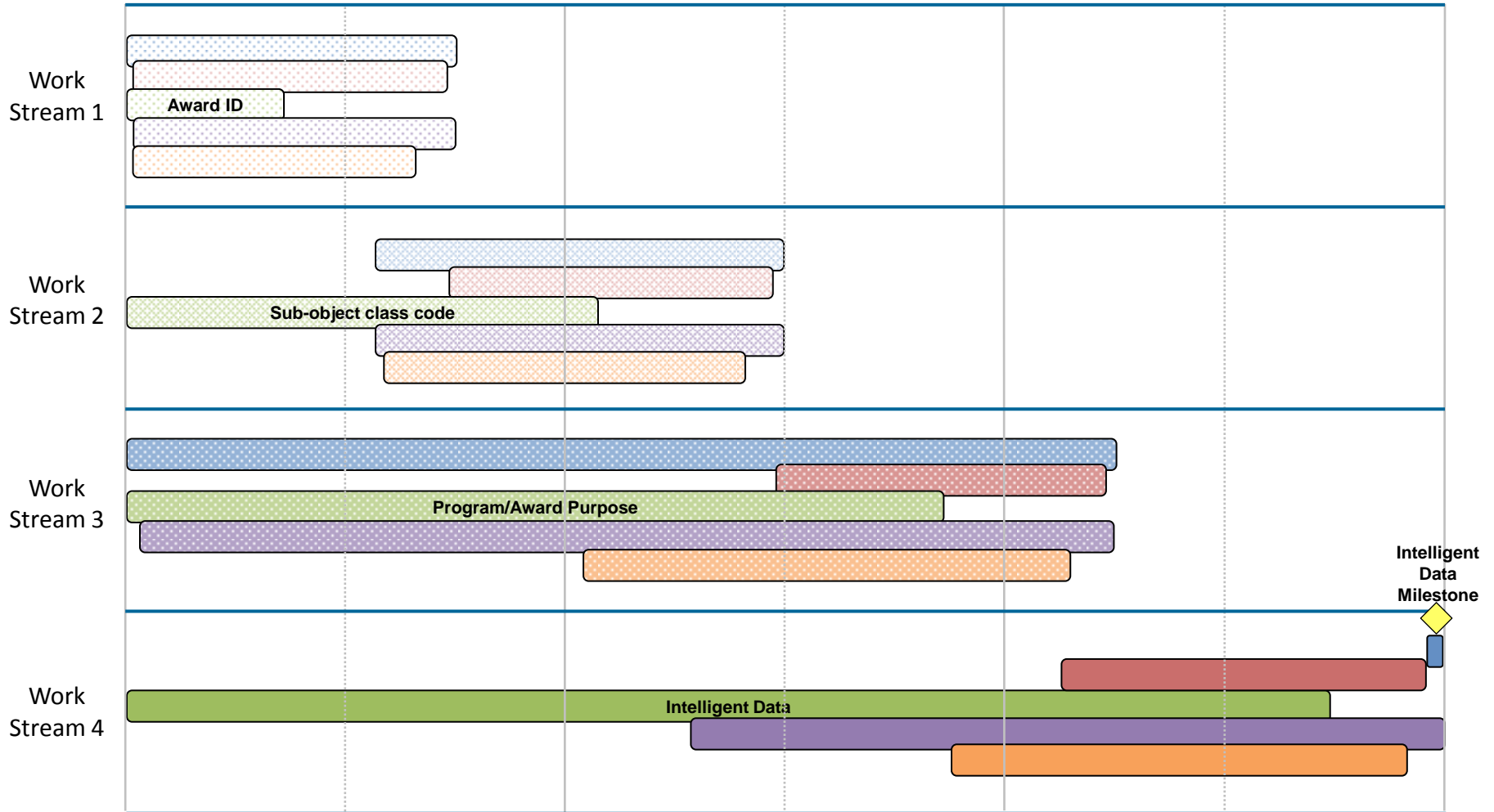- Provide capability for Federal users to drill from the accounting level down to the detailed transaction data.

Work Stream 4
- Fully realize use of standard Intelligent data within all Treasury financial systems to support financial reporting and transparency needs.

Work Streams & Functional Support Areas

- Specific time frames and deadlines have not been defined yet.
- Each functional area provides support to every work stream; each work stream builds and intersects with the next.

Work Stream 1 — Award ID

Work Stream 2 — Sub-object class code

Work Stream 3 — Program/Award Purpose

Intelligent Data Milestone

Work Stream 4 — Intelligent Data

Legend

Functional Areas (color variations depict progression towards the broad Treasury vision):

| Data Collection | Data Presentation | Data Policy & Standards | Business Analytics | Technical Architecture |

Treasury Data Approach – Work Streams 1 & 2

AWARD ID

Financial Systems

Management Systems

Financial Data
- TAS
- USSGL (i.e., Obligations & Outlays)
- **Award ID**
- Object Class Code
- Sub-Object Class Code, etc.

Non-Financial Data
- Award
- Location
- Contract Start/End
- Contract Type
- **Award ID**
- Contract Value, etc.

Transparency Information
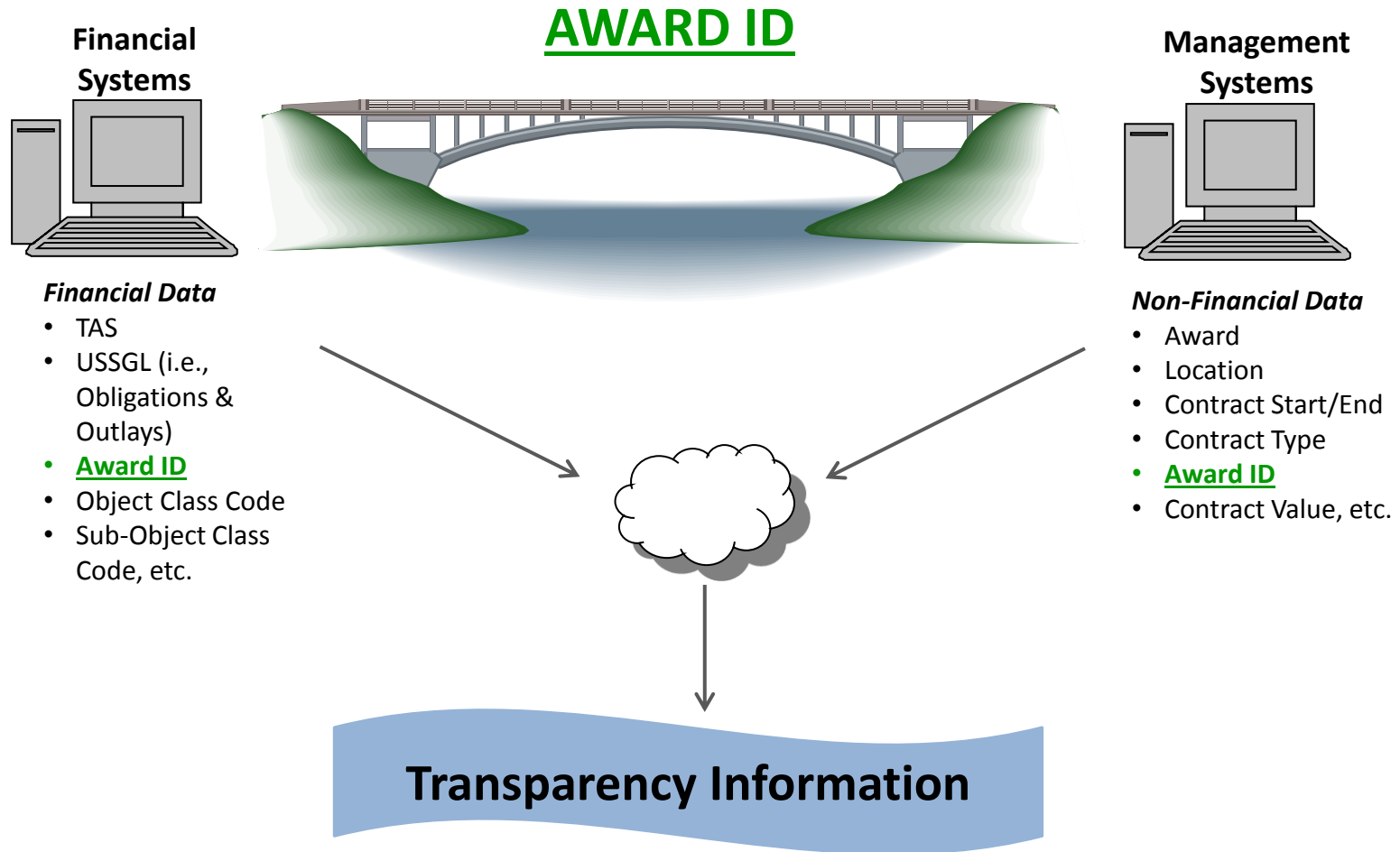
Leverage agency systems, Treasury authoritative government-wide financial data, and the success of Recovery.gov to create a one-stop shop for federal transparency to the public.

Who, What, Where, When, Why and How of Work Stream 1?

WHAT problem are we trying to resolve?
Improve the quality of Transparency information currently available on USAspending.gov and enhance the usability of the website.

WHO is working to resolve it?
A cross functional team consisting of specialized groups from the Office of Financial Innovation and Transformation (FIT), the Bureau of the Fiscal Service, Office of Management and Budget (OMB), Government Accountability and Transparency Board (GATB), and the agencies.

WHY are we working to resolve it?
The Department of Treasury will assume responsibility for operating and improving USASpending.gov, as outlined in the Budget of the United States Government for Fiscal Year 2014.

HOW are we going to resolve it?
Use data from agency financial systems that has been validated against existing central accounting data and then link it to data from agency management systems to present a complete transparency picture.

WHERE will the resolution exist?
Bureau of the Fiscal Service will collect and validate the financial data, link it to the management data, and display the information to the public.

WHEN will the problem be resolved?
Treasury is still evaluating this approach in collaboration with the agencies. Next steps include conducting a feasibility study with the agencies; therefore no implementation deadlines have been established yet.

Proposed Scope & Next Steps of Work Stream 1

Evaluate Feasibility

The scope and time frame for work stream 1 will be dependent on a feasibility study conducted with agencies and shared service providers (SSPs). The intent of the study is to gather more information and pressure test this concept with agencies, establish a time line, and outline the transparency related questions that can be answered using the data available.

Proposed Scope

- Work with OMB to issue policy and guidance.

- Issue new or update existing Treasury USSGL guidance.

- Collect obligations and outlays data by Award ID and Object Class Code and then integrate the financial data with the relevant management data.

- Present the integrated financial and management data to the public.

Next Steps

- Conduct a feasibility study in collaboration with a few agencies and publish the results.

- Establish the scope and time frames for work stream 1.

- Define the transparency questions:

    1) Stakeholders *want* answered

    2) Work stream 1 *can* answer

- Contribute to the U.S. Open Government National Action Plan

PRE-DECISIONAL/FOR DISCUSSION PURPOSES ONLY

QUESTIONS?