

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, May 28, 2014, at 10:00 a.m. and continued until 11:35 a.m.

ATTENDEES:

Board Members:

Richard Ginman, Chairman and Director, Defense Procurement and Acquisition Policy, U.S. Department of Defense

Nani Coloretti, Assistant Secretary for Management, U.S. Department of the Treasury

Allison Lerner, Inspector General, National Science Foundation

Ellen Murray, Assistant Secretary for Financial Resources and Chief Financial Officer, U.S. Department of Health and Human Services

Mark Reger, Interim Controller, Office of Management and Budget

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 Recovery Board

Kay Daly, Assistant Inspector General for Audit, U.S. Department of Health and Human Services

Amy Haseltine, Associate Deputy Assistant Secretary for Grant Policy, U.S. Department of Health and Human Services

Christina Ho, Executive Director of Data Transparency, Bureau of the Fiscal Service, U.S. Department of the Treasury

Carrie Hug, Director of Accountability, Recovery Board

Karen Lee, Chief of Management Controls and Assistance Branch, Office of Management and Budget

Keith Maddox, Special Assistant, U.S. Department of Education Office of Inspector General

Scott Stewart, Director Application Development, United States Postal Service Office of Inspector General

Alice Siempelkamp, Director of Web Operations, Recovery Board

LeAntha Sumpter, Deputy Director, Defense Procurement Program Development and Implementation, 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., and by unanimous vote of the members present, the minutes of the April 30, 2014, meeting were approved. Mr. Ginman discussed his participation in May 22 training on fraud in the government sector seminar sponsored by George Mason University. He commented that Ms. Ho and Mr. Hudson Hollister, Executive Director, Data Transparency Coalition, were among the many speakers.

Ms. Ho thanked the members for inviting her to provide an update on the Department of Treasury's (Treasury) vision for the Digital Accountability and Transparency Act (DATA Act)

implementation.¹ Ms. Ho briefly discussed the sections of the legislation that will be led by Treasury. This includes the requirement for full disclosure of Federal agency expenditures, the development of government-wide data standards and simplified reporting, and the transfer of Recovery Operations Center (ROC) assets from the Recovery Board to establish or expand an existing service that provides centralized data analysis.

Ms. Tighe provided the members with background information regarding the decision to establish the centralized data analytics center within the Department of Treasury. Mr. Reger commented that, in lieu of a law enforcement agency, Treasury appears to be a logical alternative, since it has the Bureau of Public Debt. Ms. Tighe agreed and noted that while there is little hope, without revisions to the legislation's language, that the newly created center could provide law enforcement assistance to the Inspectors General (IGs) and other federal law enforcement agencies as the Recovery Operations Center currently does, such a center could be useful to agency program managers. She added that the Recovery Board and Treasury will work together to determine a logical potential transfer of capabilities.

The members briefly discussed the sunset date for the Recovery Board. Ms. Tighe informed the members that the Board is mandated to provide oversight of Hurricane Sandy funding through September 2015.

Ms. Ho provided the members with a high-level view of the DATA Act implementation timeline. This included milestones for the launch of the improved USASpending.gov, the first IG report on agency implementation of the DATA Act, enhanced agency accounting, and other financial management reporting on USASpending.gov.

The members then engaged in a detailed discussion of Treasury's short-term and long-term transparency vision, goals, and implementation approach. Ms. Ho explained that Treasury's approach will be incremental, collaborative, data-centric, and will leverage the work that agencies have completed in the areas of data standards and improved business processes. A detailed discussion of Treasury's approach to data standardization and transparent reporting ensued.

Ms. Ho explained that Treasury envisions agency agreement on standard data elements and definitions for transparency reporting purposes, but will not require agencies to change their systems or business processes. She commented that past government-wide edicts have been costly and have not always resulted in success. Ms. Ho described the implementation strategy for Treasury's centralized data approach and explained the proposed data exchange process, noting that the agreed upon data would be accessed from the source system and aggregated in the Treasury system for public reporting.

Mr. Ginman cautioned that the elemental definitions must be the same across the government to ensure data accuracy. Ms. Coloretti commented that while agreement on data definitions is essential, agencies will not need to rename data elements in their systems or business processes. Ms. Ho added that no disruption to agency business processes will occur as long as agencies

¹ Upon approval, the DATA Act USASpending.gov briefing is expected to be made available on Recovery.gov.

identify, to Treasury, the correct data element to collect and ensure that it is accessible in their system. Mr. Ginman commented that situations may occur that involve different definitions for the same data element. He provided examples from the collaborative work underway to address data definition collisions between the procurement and grant communities. Ms. Sumpter added that Treasury will need to be careful not to impose definitions from one community to another, since many definitions have legal implications.

The members discussed the DATA Act's expanded reporting requirements. Mr. Ginman inquired about the types of data that would be collected and reported. Ms. Ho commented that the DATA Act requires the reporting of financial data elements. Mr. Ginman cautioned that full transparent reporting must go beyond financial data standards. Ms. Lee commented that appropriations data is also required and added that expanded recipient reporting is a requirement of the DATA Act as well. The members then engaged in a discussion of sub-recipient reporting for grants and contracts. Mr. Ginman discussed the difficulties of collecting expenditures below the recipient level for procurement awards. Ms. Tighe commented on the usefulness of sub-recipient reporting from an accountability perspective.

Ms. Ho discussed a planned pilot project to identify how best to display expenditure data for the public. She explained it will determine various data elements, already collected by Treasury, and determine how best to display the data for the public. Ms. Ho added that the pilot will begin soon and is expected to conclude in three-months. Ms. Ho responded to questions regarding the purpose and utility of the pilot, as well as the limitation of using Treasury expenditure data only. Ms. Ho explained that the pilot will help identify the steps needed for implementation and may also reveal additional data that the public might find useful.

Mr. Ginman reminded Ms. Ho of the importance of engaging the agencies in the transparency efforts. He added that representatives from the financial, grants, and procurement areas should be at the table. Ms. Coloretti suggested that Treasury engage small groups of agencies over a period of time rather than representatives from all agencies at once. Mr. Ginman suggested that an initial discussion could begin with key representatives from the Department of Defense and the Department of Health and Human Services. Ms. Ho assured the members that Treasury will continue to work across the federal communities and bring together the collective voices within the agencies.

Ms. Ho provided the members with a brief description of the joint effort with the Recovery Board to enhance the data displayed on USASpending.gov. She informed the members of Treasury's intent to use the Recovery Board's platform to make meaningful changes to the USASpending.gov website. She described the collaborative work underway and planned to leverage the expertise and best practices established by the Recovery Board. Ms. Ho also commented that the longer-term strategy is to improve the website's long-standing data quality issues.

The members then engaged in a follow-up discussion of the feasibility of the GAT Board's existence since passage of the DATA Act. Mr. Ginman commented that the GAT Board may be approaching a logical point at which to sunset and transition current efforts to Treasury. Most members agreed that as the principal implementer of the DATA Act, Treasury is clearly the lead

for the overall transparency effort. Mr. Reger suggested that an alternative may be repurposing the GAT Board with new membership. Mr. Ginman commented that if the GAT Board sunsets, Treasury may want to review the efforts of the four working groups to determine if and how best to utilize the groups. Ms. Murray commented that the GAT Board has been a good impetus for government-wide transparency and accountability. She added that the working groups have been successful as a result of their collaborative efforts and suggested that a diverse group overseeing the effort might be beneficial. Mr. Ginman asked the members to come prepared to discuss recommendations for the GAT Board's future at the next meeting. He reminded the members that the agenda will also include a briefing from the Data Analytics Working Group.

The next GAT Board meeting is scheduled for June 25, 2014.

Cynthia Williams
Secretary



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U.S. DEPARTMENT OF THE TREASURY

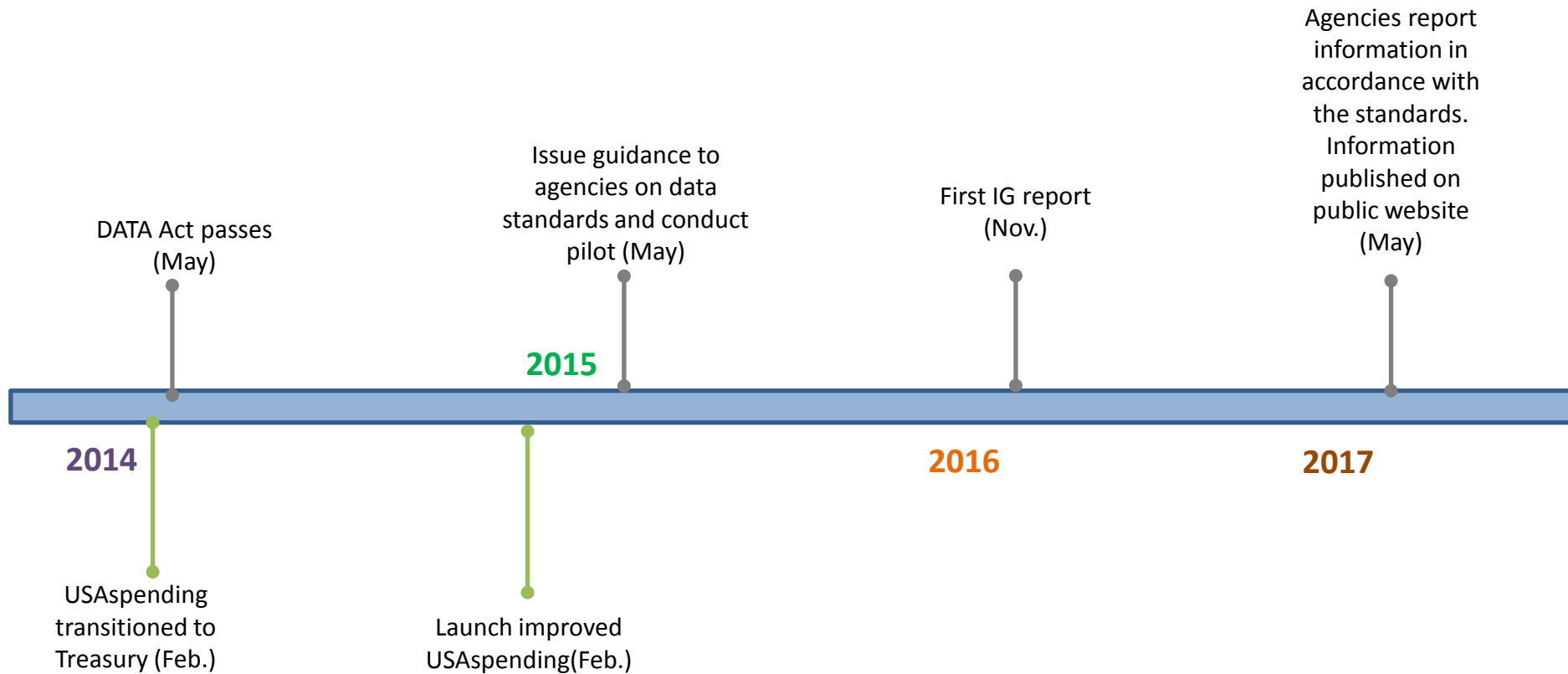
DATA Act/USAspending Briefing for GATB

May 28, 2014

Data Act Summary

- Purpose: to establish government-wide financial data standards and increase the availability, accuracy, and usefulness of Federal spending information.
- Sponsored by Senators Mark R. Warner (D-VA) and Rob Portman (R-OH) and cosponsored by Senators Ayotte (R-NH), Carper (D-DE), Coburn (R-OK), Coons (D-DE), Enzi (R-WY), R. Johnson (R-WI), McCain (R-AZ), Murray (D-WA), and Whitehouse (D-RI).
- Passed the Senate on April 11 and the House on April 28. Signed into law on May 9.
- Amends the Federal Funding Accountability and Transparency Act (FFATA) to require full disclosure of Federal agency expenditures.
- It also requires the development of Government-wide data standards, takes steps to simplify financial reporting, and improves the quality of the spending data.

DATA Act Implementation Timeline



DATA Act/Long-Term Transparency

Vision: Provide reliable, timely, secure, and consumable financial management data for the purpose of promoting transparency, facilitating better decision making, and improving operational efficiency.

Goal

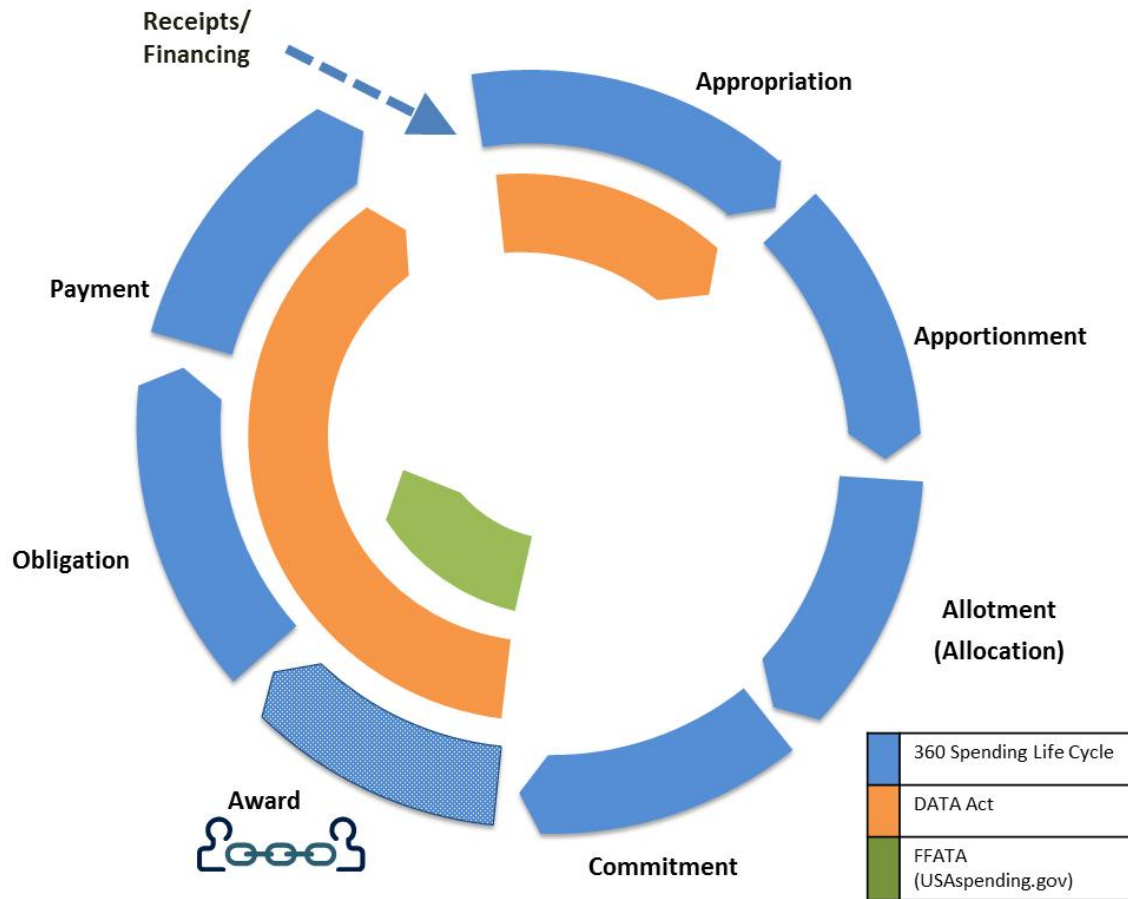
- Capture and make available financial management data to enable the data consumers to *follow the complete life cycle of Federal receipts and spending* -- from appropriations to the disbursements of grants, contracts, and administrative spending (**360 Spending Lifecycle**)
- *Standardized information exchanges* – definitions and format – to enable timely access to discoverable and reusable detail transaction level data

Approach

- Data-centric – Avoid massive system changes, rather focus on managing data
- Incremental – Release data as it becomes available
- Reuse– Maximize and leverage use of existing processes/investments
- Collaborative – Feedback drives improvements

Financial Management Data

TRANSPARENCY SCOPE



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Implementation Strategy

Treasury Central Data

- Appropriations account
- Budgetary resources
- Amount obligated
- Unobligated balance
- Outlays

Standard Data Exchange



Summary level

Agency Data

- Object class
- Program activity

Award ID



Transactional level

Award Data

- Recipient
- Location

Operational & Reporting

Financial Management & Budgeting

Management system data
(i.e., procurement, grant systems)

USAspending

SHORT TERM IMPROVEMENTS

Background

- Single, searchable website on federal awards launched in 2007 to comply with FFATA of 2006
- Obligation data on prime awards from FY2000 and subaward data from FY2010
- Treasury assumed program responsibility as of Feb 2014

Goal

- Make meaningful improvements to the USAspending.gov website by Spring 2015.
- Focus on improving the usability of the website and implement simple data validation techniques, while at the same time work on a long-term strategy to improve the website's long-standing data quality issues.

Approach

- Focus on making improvements to the website that have a high-level of impact and a low- to medium-level of effort (i.e., do not require agencies to make changes to their processes or data)
- Leverage existing government investments
- Clearly communicate short and long term improvement plan to manage stakeholder expectations

Benefits of Data Transparency

The **traditional approach** to data transparency has been to focus on the availability of financial data via reports, primarily for accountability purposes.

The **future of data transparency** goes beyond just making data available to making data accessible and reusable:



Accessibility

- ✓ Greater opportunities for collaboration and sharing
- ✓ Improved opportunities for analytics
- ✓ Improved timeliness of data
- ✓ Informs decision makers

Reusability

- ✓ Improved efficiency - Input once, use many times”
- ✓ Fewer resources to process data
- ✓ More timely response to unpredictable ‘on demand’ requests

What is Ahead of Us?

- Implementation of USAspending short-term improvements.
- Develop a plan to implement the DATA Act.
- Develop and implement an outreach model for all federal and non-federal stakeholders.
- Develop a structure that leverage the subject matter experts from agencies to work on the implementation.
- Consult with public and private stakeholders in establishing the data standards.