

Michael Wood

Statement on Data Transparency and DATA Act Implementation

Treasury Department Data Transparency Town Hall Meeting

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Thank you for the opportunity to share my views and ideas on the important topic of data transparency and implementing the Data Act. I retired from Federal service in 2013 and am currently employed as an executive consultant by CGI Federal. Prior to retiring I was the Executive Director of the Recovery Accountability and Transparency Board (the RATB). I also have advised a number of firms and organizations associated with transparency and advanced analytics and data management including StreamLink Software (grants management), UReveal (advanced analytics), and the Devaney Group whose client Back Office Associates is here today as well, and the DATA Transparency Coalition.

Based on my experience with the RATB, I am passionate about spending transparency and about identifying and preventing fraud in government spending. I am proud to have played a role in the success of the Recovery Program and in the Board's fine work in establishing new standards for transparency and accountability. The work of the RATB was quite transformative and lessons from that work can serve as a model in moving forward as the Data Act is implemented. At the RATB, I also advised the Government Accountability and Transparency Board that has looked into how to extend the work of the RATB more broadly to the rest of the Federal government.

My experience with the Recovery Program has shown that transparency is a force multiplier for accountability work. By opening spending and other related data the public and those groups interested in oversight can shine a light on problems and potential problems to reduce levels of fraud and mismanagement. As highlighted in numerous GAO reports, current efforts to expose data on USASpending have fallen short in terms of comprehensiveness and quality. RATB efforts showed that high quality data could be made available on a very fast time frame. The government can do better than current efforts under FFATA. Opening data on Recovery allowed the administration, agencies, and Congress to more easily understand the status of a huge \$840 billion dollar effort. The public could easily see what was being spent nationally and in their local areas using zip code level searches. Data Scientists and academics could easily download the entire Recovery data set from Recovery.gov. Recent improvements in USASpending by OMB, GSA and now Treasury are positive steps in the right direction.

In looking at implementing the DATA Act and establishing standards for the information to be reported there are several things that I believe are important to keep in mind.

- Technology is not the problem or stumbling block – there are numerous good solutions available, the key problems are culture and organizational resistance. These problems, such as turf protection (as we have seen in data center consolidation attempts) are

extremely difficult to address and often are not recognized or dealt with effectively. The RATB work was very disruptive but succeeded based on strong executive leadership.

- Simplicity in approach should be a key feature in implementing the new law – attempts by Agencies or vendors to add numerous features, business processes and data will ultimately result in delays and potential failures. Under Recovery there were 99 discrete data elements and given more time those could have been reduced in number.
- Simplicity in display is also a major challenge. While a minimal effort might meet the letter of the law, the American people deserve a first class effort that will allow them to understand how the government spends their money. Meeting the spirit of the law on transparency is difficult and a major effort. While Federal spending, budgets and programs are by their nature complicated, the American people deserve a clear common sense approach to the data regarding how the government runs. I applaud Treasury and OMB for listening to stakeholders on this important subject. I would highlight the good work of local governments at city, county, and state levels that usually summarize their spending in ways their citizens can understand, Approaches under Recovery included use of maps and easily understood consistent language and displays.

There are several additional lessons from the Recovery Act that Treasury officials and the government should consider moving forward. These include:

Executive Support: Recovery was well funded and had tremendous high-level executive support. Earl Devaney the RATB Chair, Ed Deseve at the White House, Danny Werfel at OMB and many others at the Deputy Secretary level across the government were committed to success and willing to work very hard to avoid failure. Garnering as much executive support as possible is a key.

Data Standards: Working with OMB, agencies and states we established a small number of standard data elements (99) for Recovery. In looking at DATA Act tasks, there is a need to concentrate on a few useable data elements.

Data Stewardship/Governance: The RATB experience showed that the posting organization will be held responsible for the data. When recipients or Agencies made mistakes the RATB were responsible. This caused some redesigning of the traditional data management and stewardship models. The RATB assumed a lead in QA and interpretation regarding questionable data that we occasionally did not post (unusual job calculations in the many millions for small grants, errors in award sizes noting billion versus million dollar awards). With numerous data feeds, and issues surrounding timing/versioning I think data management will be challenging. Using open data approaches of harvesting data but leaving the management to the data owners is a step that should help. GSA has worked in the government arena on this as part of Data.gov efforts. Close attention should be paid to the data stewardship and governance process.

Mapping: Mapping awards to zip codes was extremely powerful for the RATB in opening Recovery data to the public. Also, with limited data, GIS can be used to enhance basic data sets. For example if you know the location of an award you can easily use GIS technology to enhance the basic data and determine county (state interest) or Congressional district (Federal interest) without ever collecting any county or Congressional district data directly. These type of efficiencies are extremely important.

Advanced Analytics and Visualization: Using numerous approaches in accountability was extremely useful and productive at the RATB. The ROC and RATB analysts used a number of software packages such as Palantir. We also used SAS, home grown systems such as FastAlert, Business Objects, SAP Hanna and also uReveal. A number of firms do modeling for predictive analytics (Elder Research) and build tools for analysts. To me a key is to use tools in combination or as an ensemble to eliminate false positives and identify high risk instances. Overall technology is available to help analyze and better understand data. Generally the government is not doing well with understanding their data and presenting it in visually pleasing formats. As the DATA Act implementation progresses, there is an opportunity to improve this gap and to look at system integration and modernization potentials.

Grants Management: grants are managed at the program level and are inconsistent in data elements, reporting and timing. While there is no direct mandate to change this the DATA Act includes a pilot that will look at eliminating redundancies and reducing burden for both grant and contract recipients. This work, along with new OMB guidance should be used to streamline and modernize grants management that is a substantial spending area for the federal government. The Grants Reporting Information Project that was done by the RATB served as the template for this provision of the law and a larger pilot should build on that to help reduce grant data elements and standardize management approaches.

That concludes my remarks. I am available to answer any questions you may have.