



BUREAU OF THE
Fiscal Service
U.S. DEPARTMENT OF THE TREASURY

Financial Data Transparency

August 13, 2014

Agenda

- DATA Act Summary and Treasury Key Roles
- Treasury Data Transparency Vision, Goals, and Approach
- USAspending Short-Term Improvements
- Benefits and Next Steps

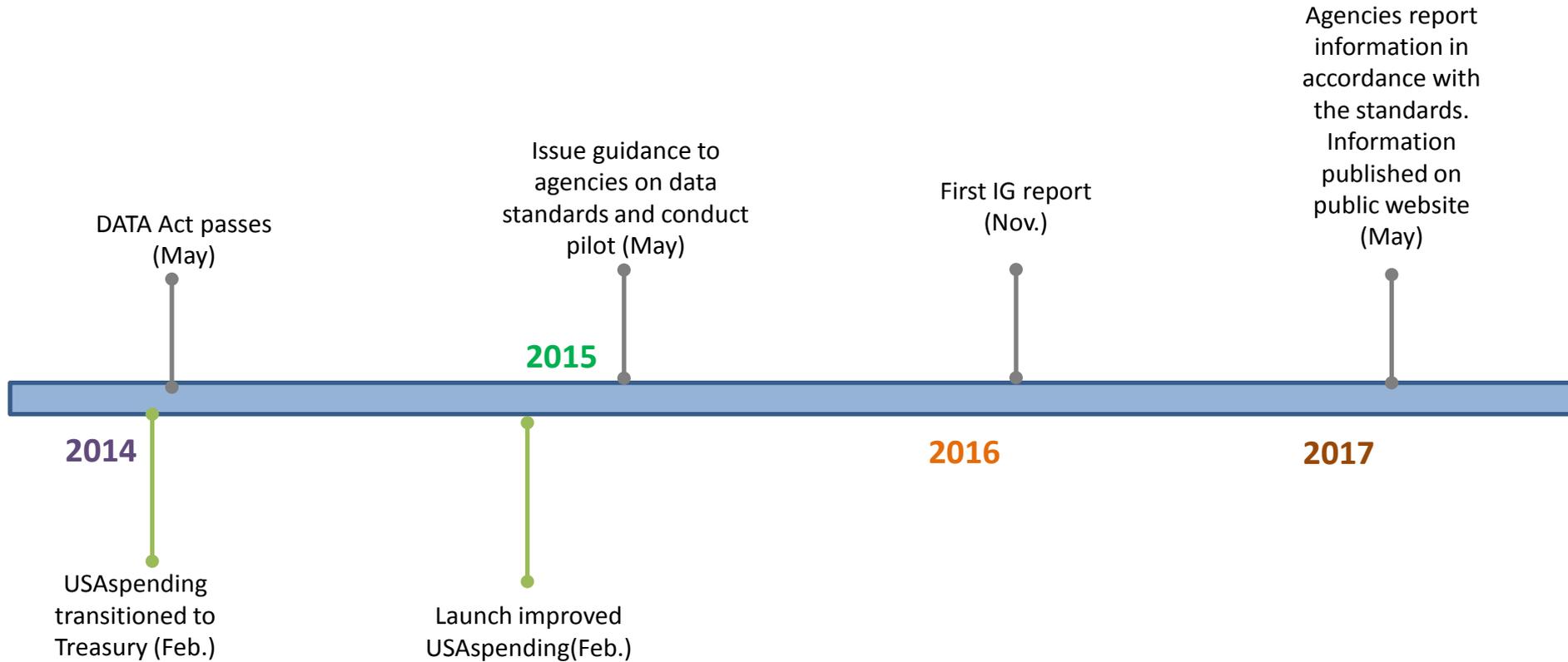
DATA Act Summary

- 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); Chairman Darrell Issa (R-CA), Congressman Cummings (D-MD).
- Passed the Senate on April 11 and the House on April 28. Signed into law on May 9, 2014.
- 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.

Key Treasury Roles

- Co-establish with OMB government-wide financial data standards.
- Lead the Government-wide implementation of the DATA Act.
- Publish additional expenditures information on USAspending.gov no later than three years after enactment.
- Create a data analysis center (or expand an existing service) to support the prevention and reduction of improper payments by Federal agencies and improve efficiency and transparency in the federal government.

DATA Act Implementation Timeline



Background – Treasury Vision: 360 Spending Life Cycle

Treasury Vision

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

Better Data, Better Decisions, Better Government

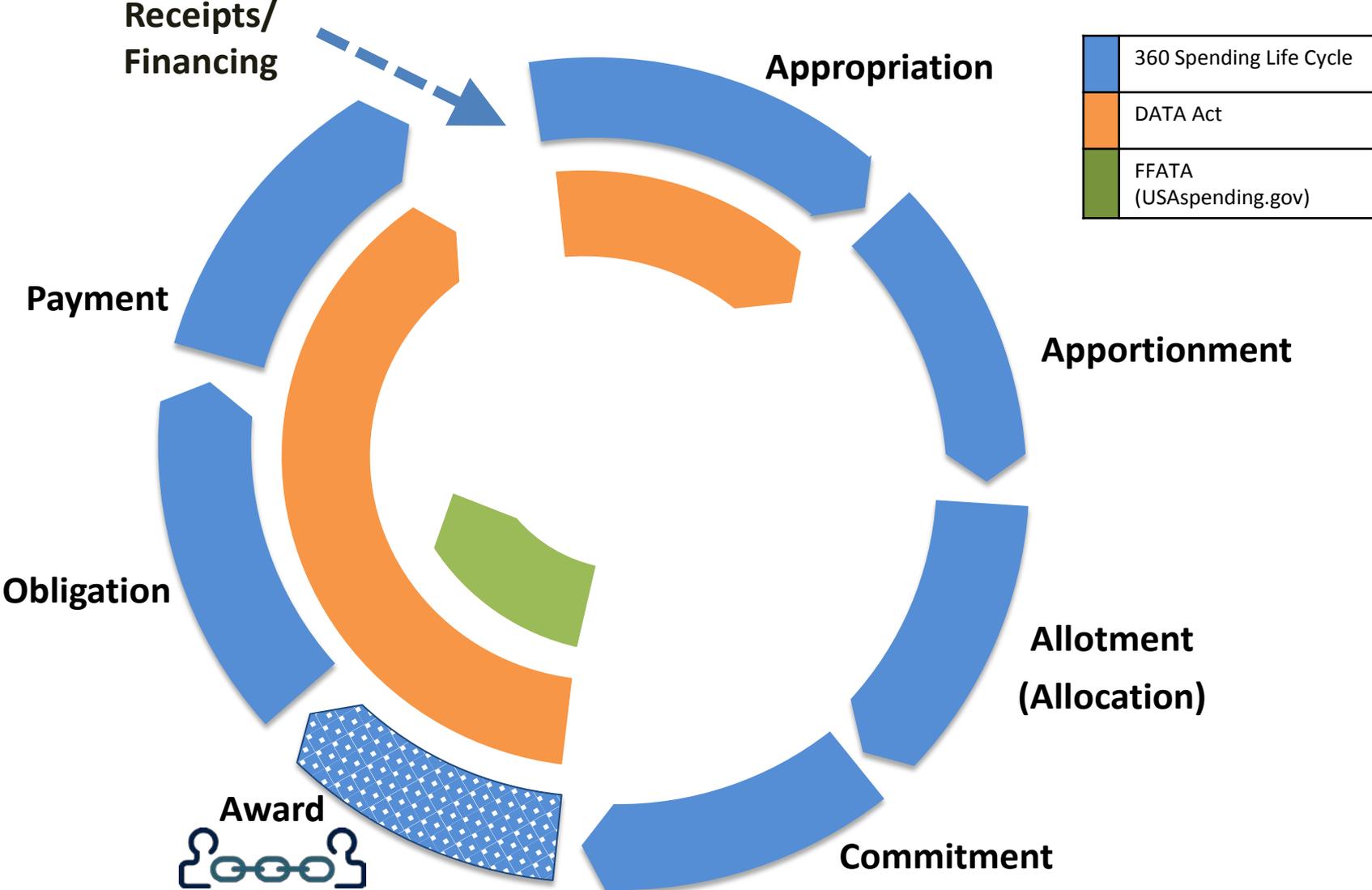
GOALS

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

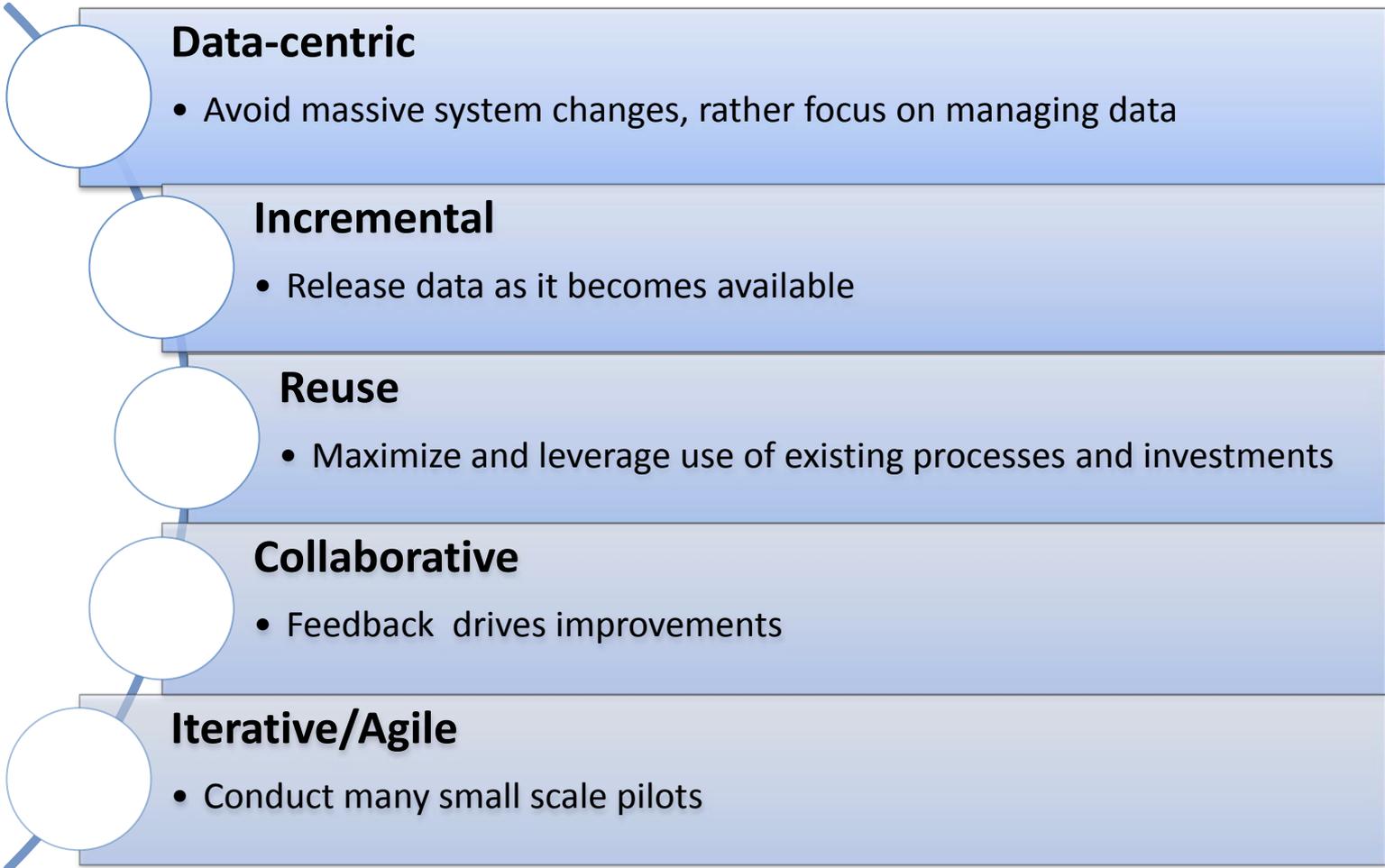
Accomplishments-to-date

- ✓ Assumed program responsibility over USAspending.gov
- ✓ Successfully piloted “Intelligent Data” prototype
- ✓ Conducted “Award ID linkage” feasibility study

DATA Act in Context of Spending Life Cycle



DATA Act Implementation 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 and investments

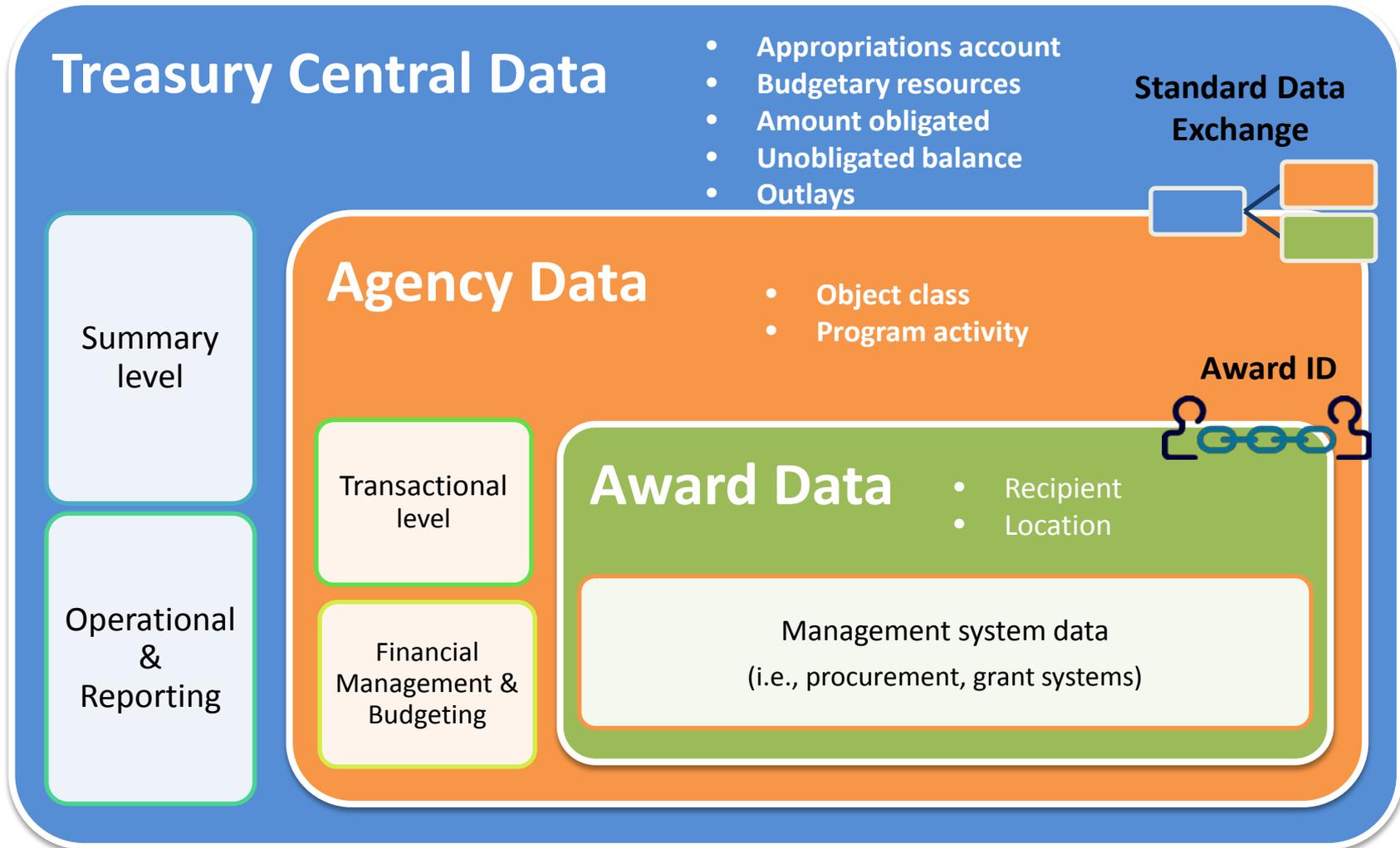
Collaborative

- Feedback drives improvements

Iterative/Agile

- Conduct many small scale pilots

Implementation Strategy



Creating Value through Better Access to Data

Benefits

Examples of use cases

Provide Transparency

Reduce fraud and mitigate risk

- **Disaster relief spending:** Reduce time spent on answering requests by making it easy for stakeholders to find accurate information

Greater insights

Expose variation and use benchmarks/best practices to assess best approach

- **Improve grantee oversight:** Agencies can compare grant funding use and depletion across recipients (e.g., state-level comparisons for education and infrastructure spending)

Customize services/actions

Segment populations to customize actions

- **Loans and fraud management:** Identify and proactively address risks and fraud

Enable data driven decisions

Faster, more accurate, less biased decisions

- **Performance based decision making:** Better decision making by being able to better track performance and spending

Enable Innovation

Create or enhance products and services

- **Economic growth:** Providing open and consumable data will help new and existing businesses to use data to inform activities (e.g., national weather service, geospatial data)

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.