Subject: Fiscal Year 2019 Appropriations and Recommendation for Congress to Leverage the DATA Act’s USAspending.gov Federal Spending Information Resource

Chairman Yoder, Ranking Member Ryan, and Members of the Legislative Branch Subcommittee, thank you for this opportunity to provide written testimony on behalf of the Data Coalition regarding a recommendation to strengthen the operational capacity and effectiveness of Congress.

The Data Coalition was founded in 2012 to advocate on behalf of the private sector and public interest for the transformation of government information into standardized, open, and machine-readable data. Based in Washington D.C., the Data Coalition represents over forty-five technology and data analytic companies as well as public sector focused consulting and accounting firms. We empower these data companies to make our government more transparent and efficient.

In 2014 Congress unanimously passed the Digital Accountability and Transparency Act (DATA Act) (P.L. 113-101) which charged the White House Office of Management and Budget (OMB) and the Department of the U.S. Treasury (Treasury) with the task of transforming government-wide spending information into standardized, searchable open data on a central website.

As of this past month, OMB and Treasury have fully transitioned the USAspending.gov website to reflect a year of DATA Act reported agency spending data for the public and Congress.

The DATA Act: Value, Function, and Vision

The DATA Act’s unified open data set provides a comprehensive map of all of the executive branch’s expenditure accounts, their balances, and funds available to be spent. Such information had never before been publicly-available in an electronic form. The data set also
connects every account with the contract and grant awards that it funds. Before the DATA Act’s mandate, this connection between accounting and award data did not systematically exist.¹

In May of 2017, nearly every CFO Act agency began reporting its spending to Treasury using this data format (beginning with FY 2017-Q2). Now, as required by law, agencies are reporting, and Treasury is publishing, a unified open data set of executive-branch spending on a quarterly basis. By December 2018, the data set should reflect all of FY 2018, its first complete fiscal year using a consistent data structure.²

Over ninety federal agencies are actively reporting across 1,660 federal accounts. This spending information is centrally defined by Treasury’s DATA Act Information Model Schema (DAIMS).³ The DAIMS is a government-wide standardized collection of 400 interconnected data elements together representing the relational data structure by which all federal agencies must now map their financial account systems and award reporting.

And this is merely the beginning.⁴ For instance Treasury has built a number of visualization tools in their Data Lab to demonstrate how the DAIMS enables a browsable government account structure or can visually represent how the purpose of spending (Budget Function) relates to the actual spending mechanism (Object Class).⁵ Furthermore, Treasury’s Strategic Plan sets a goal to expand the DAIMS to cover other “administrative data and link more domains...to support decision-making and provide metrics for evaluating program performance and outcomes”.⁶ And agencies are also seeing financial management benefits of agency-wide financial viewpoints enabled by a unified data set.⁷

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² By May 2018, USAspending.gov will reflect a full consecutive years’ worth of federal spending: the latter three quarters of FY 2017 and the first one of FY 2018.


In short, the DATA Act is the start to realizing a full life-cycle picture of the U.S. Government’s financial information.  

**USAspending.gov and Congress: Real-time Insights, Better-Informed Decisions**

The real value of the DATA Act as a resource for government-wide spending information is in how it can be both publicly accessed via USAspending.gov through intuitive visualizations or complete bulk data downloads and automated APIs for technically advanced users.

For example, the USAspending.gov data provides sufficient information, in a readily-available electronic form, for software applications to empower the following tasks, instantly:

- Identify the particular agency accounts funded by a Congressional appropriation, select the contract and grant awards paid out of those accounts, and map the geographic impact of those awards by state, zip-code, and potentially Congressional district;
- Identify all of the agency expenditure accounts funding a federal grantmaking program, and assess the impact of future appropriations decisions on that program;
- Identify and track all of the unobligated balances across government, within a particular agency, or within a particular appropriations subcommittee jurisdiction, and reconcile this with approved spending allocations and supplemental budget requests;
- Make more informed appropriations decisions by comparing the annual budget request to current Fiscal Year government-wide agency account balances and spending activity;
- Tag spending to particular programmatic missions, track these resources over time, and pair with additional data sets to assess programmatic performance;
- Autonomously monitor the impact of federal spending activity on a geographic region;
- Access consistent and accurate data to inform Congressionally commissioned government reform and deficit reduction decision-making bodies.

However, to derive such conclusions requires in-depth analysis and parsing of the bulk data and the raw agency data submissions, where the real value and insights exist. This is often beyond the technical capabilities and time resources of Congressional staff who more often possess deep expertise in specific policy issue areas and disciplines like public administration, law, or business.

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10 "The USAspending Application Programming Interface (API)." USAspending.gov. [https://api.usaspending.gov/](https://api.usaspending.gov/).

Recommendation: Provision a Congressional Facing DATA Act Information System

Congress should fund a project to provision a Congressional facing DATA Act Information System. Such a platform would pull USAspending.gov’s bulk data and make it readily accessible for the unique budget, appropriations, and executive branch oversight workflows of Congressional staff.

Specifically, this software-based platform could provide Congressional staff with a financial performance and accountability dashboard that organizes spending by budget function, maps the impact of spending to Congressional districts and Committee jurisdictions, includes information on known data quality issues and limitations, and links other federal open data sets for performance analysis. Congressional staff could also track specific agency accounts and programs through a tailored dashboard equipped with custom alerts, report building functionality, and interactive data visualizations.

The implementation of the DATA Act’s USAspending.gov represents a significant Congressional investment. The Congressional Budget Office originally estimated $300 million in associated implementation costs from FY 2014-2018 (though we estimate actual implementation costs were ultimately much lower). For instance, more than $30.7 million in dedicated funds were appropriated in FY 2016.

It is imperative that the Congress also invest in the necessary systems to embed this new national information resource into its own workflow as it fulfills its Constitutionally mandated Article 1 duties.

In FY 2017 alone, the U.S. government spent $3.981 trillion (all outlays). Comparatively, the entire Legislative Branch spent $3.791 billion. Put another way, the Legislative Branch comprises approximately 0.01% of all spending, or only 0.32% of federally appropriated funds (discretionary spending). Congress, is not currently equipped to properly exercise its Constitutional duties to oversee the expenditure of the public’s tax dollars.

Additionally, data-driven oversight leads to savings. When the Recovery Accountability and Transparency Board (Recovery Board) adopted a standardized data structure for the American Recovery and Reinvestment Act of 2009 (Recovery Act) (i.e., stimulus spending) they also built

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an information system, the Recovery Operations Center (ROC), similar to our proposal here. This enabled them to analyze stimulus spending with inspectors general also utilizing that system to start investigations. This lead the Recovery Board to claim the recovery or savings of over $157 million, far in excess of the system’s original cost.\(^{15}\)

**Conclusion: Data-Driven Decision Making for Congress**

Congress needs to utilize this information resource to enhance the way it conducts the day-to-day work of executive branch oversight, budget formation, appropriation funding, programmatic authorizations, and constituent relations work. Otherwise the country risks the DATA Act’s legal mandate becoming yet another federal compliance exercise.

By fully leveraging USAspending.gov’s consistent and reliable spending data, Congress will enhance its ability to fully understand how federal taxpayer funds are ultimately used. And in turn, make better, data-driven decisions on behalf of the public.

\(^{15}\) Landefeld. Vision & Value. See Section II “What is the DATA Act?” for Recovery Board savings references.
Christian Hoehner leads the Data Coalition’s legislative and executive branch advocacy efforts. He is responsible for engaging Congress and agencies to encourage reforms that transform government information from disconnected documents into standardized and open data. To that end, he maintains the Coalition's policy agenda, coordinates advocacy among the Coalition's over forty-five members, and manages campaigns to enact and implement landmark legislation to bring open data to federal financial management, information management, financial services regulation, legislative workflow, grants administration, and many other operational areas.

Christian most recently spent five years with Van Scoyoc Associates, an independent government affairs firm, where he worked with the university, research and development, technology contractor, and municipal client base. Christian earned his Bachelor of Arts in US Government and Sociology at the University of Virginia (U.Va.) in 2009 and is currently a 2018 candidate for a Master of Science in the Management of Information Technology from the U.Va. McIntire School of Commerce.