

DATA Act: One-Page Summary for FDP

FDP Open Government Subcommittee - July 1, 2014

Background

The Digital Accountability and Transparency Act of 2014 (Public Law 113-101) was signed by President Obama on 5/9/2014. This law amends the existing FFATA (Transparency Act) requirements for making the details of Federal spending more transparent to the public. Like FFATA, USASpending.gov will be the primary source for public information under this law. It will contain data supplied by both Federal agencies and by Federal contractors/grantees.

Grantee/Contractor Reporting Requirements

Few specific requirements were included in the Act. Instead, OMB and Treasury have one year to define common data elements for financial and payment information reporting. This must be done in coordination with public and private stakeholders. Reporting by grantees/contractors must begin no later than two years after these data elements are finalized by OMB/Treasury (three years after enactment).

- A **unique Federal identifier** will be required for all awards
- DATA Act does not specify reporting **frequency or level** of subaward reporting
- FDP anticipates reporting will build upon existing FFATA reporting requirements.

Reductions in Grantee Reporting Burden

The law includes a variety of provisions to ensure that the DATA Act does not end up significantly increasing administrative burden of Federal recipients. This may include changes to both transparency reporting as well as recipient financial reporting requirements.

- Once data elements are finalized a two-year pilot program (covering \$1 - \$2 billion in awards) begins to evaluate the burden and effectiveness of the new requirements.
- A report on the **Pilot** must be issued after the first year with recommendations on:
 - Standardizing reporting elements,
 - Eliminating financial reporting duplication,
 - Reducing compliance costs, and
 - Automating financial reporting to increase efficiency and reduce recipient costs.

Federal Agency Reporting Requirements

Agencies will continue to report award-specific information to USASpending.gov in line with requirements laid out by Treasury. Additionally, agencies will report at least quarterly on the following information based on yearly appropriations:

- Amount appropriated and obligated for each appropriations account,
- Amount of funds obligated/outlayed for each Federal budget program activity,
- Amount of funds obligated/outlayed for each budget object class, and
- Amount obligated (by object class) for each Federal budget program activity.

DATA Act: Timeline for FDP Institutions

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| May 9, 2014 | DATA Act signed into law (Public Law 113-101) |
| May 9, 2015 | OMB and Treasury finalize government-wide financial standards, including common data elements, unique award identifiers, and fields. |
| | Begin pilot program on recipient reporting based on common data elements defined by OMB and Treasury |
| May 9, 2016 | Initial report due to Congress on lessons learned from pilot reporting program |
| May 9, 2017 | Recipient reporting begins on all Federal funds based on common data elements defined by OMB and Treasury |
| | Agency reporting begins on spending from each appropriations account |
| | Pilot program on recipient reporting ends |