

WHITE PAPER

Is your DATA ready for the DATA Act?

Written By:

Joshua Shapiro

Senior Principal and Practice Leader for Financial Management Solutions

Ascella Technologies, Inc.

✉ joshua.shapiro@ascellatech.com

🌐 <https://www.ascellatech.com>

Is your DATA ready for the DATA Act?

Written By: Joshua Shapiro, Senior Principal and Practice Leader for Financial Management Solutions at Ascella Technologies, Inc.

✉ joshua.shapiro@ascellatech.com

🌐 <https://www.ascellatech.com>

With the DATA Act (P.L. 113-101)¹ becoming law this past May, industry, non-profits, academia, and government agencies have been working together to make the open data movement a reality. One key objective of the DATA Act is to deliver increased transparency into government agencies' spending life cycle data where meaningful and actionable information can be derived. To achieve this objective, agency spending life cycle data will need to be defined, transacted, and reported at a level that provides a sufficient amount of transparent detail.

A critical tenant of the DATA Act is to report data by program activity^{2,3}. This cornerstone of transparency in the DATA Act is predicated on the assumption that agency data is organized and transacted in a programmatic structure that contains a sufficient granular level of detail to enable the assignment of meaning to agency activities. The potential for data transparency increases as more detailed data becomes available, providing more specific, meaningful information beyond the typical high and mid-level program related information available today. Correspondingly, the program and activity data contained within agencies' underlying annual budgets and internal systems would also need to exist at a sufficient level of detail in order to support the objective of increased data transparency afforded under the DATA Act.

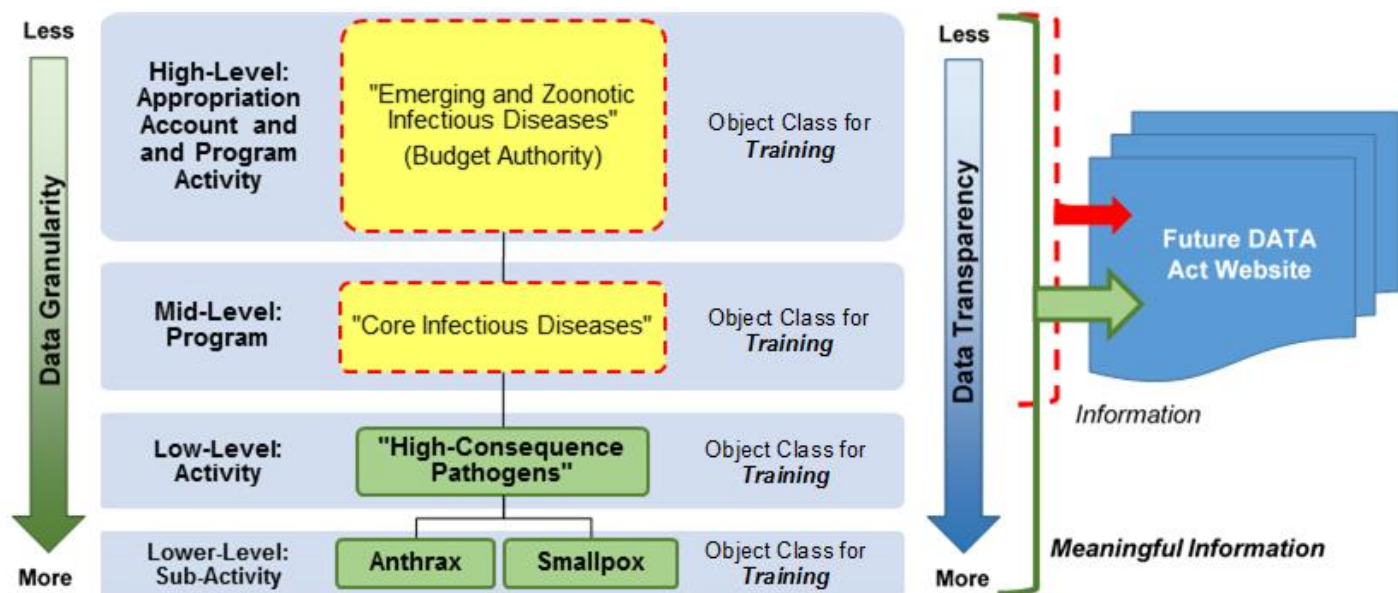
The potential for data transparency increases as more detailed data becomes available, providing more specific, meaningful information beyond the typical high and mid-level program related information available today.

An example of the value of meaningful information through transparent data can be found within an activity referred to as "High-Consequence Pathogens" that is contained within the Centers for Disease Control and Prevention's (CDC) recent FY 2015 Congressional Budget Justification⁴. Based on the detailed and informative description within the budget narrative, the "High-Consequence Pathogens" activity is responsible for executing activities such as providing training for "high-consequence pathogens" including anthrax. The "High-Consequence Pathogens" activity is under the parent program of "Core Infectious Diseases," which rolls-up to a higher parent program of "Emerging and Zoonotic Infectious Diseases," with total dollar amounts presented at the high and mid program levels of "Emerging and Zoonotic Infectious Diseases" and "Core Infectious Diseases" respectively.

Given these programs and activities, is this structure and the data available at a granular enough level to differentiate obligations and outlays in order to obtain meaningful information, such as determining the amount of funding associated with a specific type of training executed under the "High-Consequence Pathogens" activity? Depending on the granularity of the program and activity coding assigned and transacted for the "High-Consequence Pathogens" activity, the data pushed to the future DATA Act website for data consumers may not contain a sufficient level of detail to answer questions such as "Once enacted, how much funding is the CDC spending on training for anthrax in FY 2015?"

The figure below illustrates the importance of capturing program and activity data at a more granular level in order to provide meaningful information such as determining the amount of funding spent for anthrax training (Please note that the budget and programmatic data structure depicted below infers

budget, program and activity titles and labels, and structure from the CDC’s FY 2015 Congressional Budget Justification⁴. This information is for example purposes only and does not necessarily represent the internal structure used to transact these activities. Please also note that the example below focuses on activity related to the budget authority associated with the “Emerging and Zoonotic Infectious Diseases” account. If separate spending life cycle activity related to anthrax training exists under the “Affordable Care Act Prevention and Public Health Fund”, this activity may need to be considered as well. In addition, please also note that the data attribute “Object Class for Training” is depicted to illustrate the aggregation of data and not that the appropriation level is necessarily and solely defined by this object class).



If for example the CDC’s program activity level is defined at the structural High-Level of “Emerging and Zoonotic Infectious Diseases”, depending on the interpretation of the program activity definition within the DATA Act, the CDC in this example may not be required to report at a more detailed level below the “Emerging and Zoonotic Infectious Diseases” program activity, such as the Mid-Level, Low-Level, and Lower-Level structures depicted within the figure above⁵. Spending life cycle data posted to the future DATA Act website with program activity detail provided down to the High-Level structure would answer the question of how much funding is spent for “Emerging and Zoonotic Infectious Diseases” training under the particular budget authority, but may not answer the question regarding the specific amount of funding spent for anthrax training.

Delineating services by detailed program activities and object classes within the resultant obligations and outlays recorded in the spending life cycle would establish a fundamental dataset that data consumers could use to identify the specific amount of dollars spent for anthrax training. For this detailed data to exist, the awards, obligations, and their line items would need to have associated data attributes that differentiate and separate the type of services being provided, including attributes such as the specific type of pathogen (e.g., training for anthrax as opposed to training for smallpox). If such detailed data is embedded within award/contract scope descriptions and lumped together within award/contract lines, the data may not be readily accessible to efficiently use for data transparency purposes, and if needed, to transmit to the future DATA Act website. If such data is not posted on the DATA Act website, data consumers may need to continue to inefficiently analyze pieces of data embedded in reports, awards/contracts, and memorandums in an attempt to assemble the full transparent picture.

Another important tenant of the DATA Act is that agencies will need to ensure the accuracy of the data transmitted to the future DATA Act website⁶. When it comes to the data requirements of the DATA Act where agencies need to provide program activity and object class data, much of the accuracy will be contingent upon the uniformity of the data and how it has been used from a transactional standpoint³. Program activity and object class data may be configured within agencies' financial and procurement systems to enable users to specifically record and track activities such as the specific type of training under a program, although if data relationship controls are not in place and usage procedures are not promulgated and understood, the selection of inaccurate activity and object class codes could occur.

For example, internal system controls may require a user to enter a detailed program related activity code and an object class for anthrax training, although the user may have access to enter different program related activity codes for training, such as "anthrax" or "smallpox", in turn causing data inaccuracies if the smallpox activity code is selected instead of the anthrax activity code. Having updated system and procedural controls in place to promote the use of proper codes to define and align transactions to the correct program activity can help ensure that the data accuracy requirement of the DATA Act is met on a continual basis.

To ensure that agency data is ready for the DATA Act and that accurate data is available at a detailed level that provides sufficient, transparent information, agencies can begin planning now for their DATA Act implementations and data transparency activities. The questions below will help agencies and organizations prepare for their implementation of the DATA Act and support the next level of transparent decision-making:

- 1) Are activity codes defined at a granular enough level to identify and group program activity and object class data relationships, hierarchies, and dependencies in order to derive meaningful information?
- 2) Are my spending life cycle transactions such as awards and obligations structured and transacted in such a manner that provides a transparent level of granular, delineated program activity data?
- 3) Are the system controls and procedures in place for users to consistently, validly, and accurately use program activity and object class codes at a detailed level? Have the procedures been promulgated to users and do they understand the procedures?
- 4) Do new training programs need to be established for users and managers regarding the transactional use and value of using detailed program and activity data, as well as training for the upcoming DATA Act implementation?
- 5) Do system changes need to be made to support more detailed program activity data and to ensure data accuracy and validity?
- 6) Will performance plans need to be updated to align program performance data to potentially new, more detailed program activity levels?

Is your DATA ready for the DATA Act?

References:

¹Public Law No: 113-101 – “Digital Accountability and Transparency Act of 2014”, the “DATA Act”, <https://www.congress.gov/bill/113th-congress/senate-bill/994> and <https://www.congress.gov/113/plaws/publ101/PLAW-113publ101.pdf>

²S.994-2, “DATA Act”, “Sec. 3. AMENDMENTS TO THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT OF 2006”, “(6) PROGRAM ACTIVITY.— The term ‘program activity’ has the meaning given that term under section 1115(h) of title 31, United States Code.”, <https://www.congress.gov/113/plaws/publ101/PLAW-113publ101.pdf>

³S.994-3, “DATA Act”, “Sec. 3. FULL DISCLOSURE OF FEDERAL FUNDS.”, <https://www.congress.gov/113/plaws/publ101/PLAW-113publ101.pdf>

⁴ *Department of Health and Human Services, Fiscal Year 2015, Centers for Disease Control and Prevention, Justification of Estimates for Appropriation Committees*, http://www.cdc.gov/fmo/topic/Budget%20Information/appropriations_budget_form_pdf/FY2015_CJ_CD_C_FINAL.pdf

⁵ 31 U.S.C. Sec. 1115 – “Federal Government and agency performance plans”, “(h) DEFINITIONS.”, “(11) “program activity” means a specific activity or project as listed in the program and financing schedules of the annual budget of the United States Government,” <http://www.gpo.gov/fdsys/pkg/USCODE-2011-title31/pdf/USCODE-2011-title31-subtitleII-chap11-sec1115.pdf> and <http://www.law.cornell.edu/uscode/text/31/1115>

⁶S.994, “DATA Act”, “Sec. 2. PURPOSES., (4)”, <https://www.congress.gov/113/plaws/publ101/PLAW-113publ101.pdf>