



THE CENTER FOR
OPEN DATA ENTERPRISE

Roundtable on Innovating with Federal Spending Data

KEY TAKEAWAYS

This report summarizes key takeaways from the Roundtable on Innovating with Federal Spending Data, which was co-hosted by the U.S. Department of the Treasury and the Center for Open Data Enterprise in February 2018.

BACKGROUND

The [Digital Accountability and Transparency Act](#), known as the DATA Act, was signed into law in May 2014. The DATA Act requires the U.S. government to publish federal spending data on a quarterly basis, providing detailed information on federal contracts, grants, loans, and other financial assistance awards. This federal spending data, which is provided by agencies and managed by the U.S. Department of the Treasury and the Office of Management and Budget (OMB), has the potential to provide important insights into nearly \$4 trillion in annual government spending.

Since 2014, the Department of the Treasury and OMB have made substantial progress in implementing the DATA Act. Ongoing efforts have made federal spending data more accessible and interoperable. This data is now collected and published using government-wide data standards known as the [DATA Act Information Model Schema](#) (DAIMS) and made publicly available on [USAspending.gov](#), the government website that has provided information on federal spending for over a decade.

In 2015, the Department of the Treasury began to test a new prototype website, currently known as [beta.USAspending.gov](#), to publish federal spending data in a more accessible way. The DAIMS architecture forms the structure of this updated website, which includes appropriations-level data by budget function, program activity, and object class linked to the contract, grant, loan, and direct payment award data. The updated website includes improvements to the [Award Search](#) and [Keyword Search](#) functions as well as new features, such as the [Federal Spending Explorer](#) and the [Data Lab](#), to help put the data to use.

ROUNDTABLE OVERVIEW

Since the DATA Act was passed, the Department of the Treasury has worked to increase awareness and understanding of federal spending data, to learn from the experiences of key data stakeholders, and to develop ongoing communication channels with data providers and users.

DATA Act implementation has now reached an important turning point: Agencies began reporting federal spending data in May 2017 and there is now a critical mass of information available for analysis. The Department is also preparing to fully transition to its updated website.

With new data available in new ways, the Department of the Treasury and the Center for Open Data Enterprise co-hosted the Roundtable on Innovating with Federal Spending Data in February 2018 in order to “identify new applications of federal spending data and develop recommendations for increasing its use and impact.”

The Roundtable on Innovating with Federal Spending Data brought together over 50 experts from government, business, nonprofit organizations, and academia. The Roundtable opened with keynote presentations from the Department of the Treasury and the Office of Management and Budget, which are leading government-wide implementation of the DATA Act. The Roundtable proceeded with data demos, lightning talks, and interactive breakout sessions. The day concluded with a presentation of highlights from the breakout sessions to the full group, who were joined by leadership from the Department of the Treasury and OMB.

The Roundtable was held under the [Chatham House Rule](#), and participants were not asked to develop consensus recommendations but to share their own observations and suggestions.

The full agenda for the Roundtable on Innovating with Federal Spending Data can be found [here](#) and the list of participating organizations can be found [here](#).

APPLICATIONS OF FEDERAL SPENDING DATA

Federal spending data has been publicly available since the [USAspending.gov](#) website was launched in 2007, and is widely used across government agencies and different sectors of the economy. Under the mandate of the DATA Act, there are new opportunities to apply federal spending data as more data becomes available in greater detail than ever before.

To help participants focus on data applications most relevant to their work, the Roundtable’s breakout sessions were organized around topic areas where federal spending data is especially valuable. The participants identified current and potential opportunities to use federal spending data in each of these five areas, including the following:

- **Improving Government Operations and Evidence-Based Policymaking**
 - Analyze federal spending on procurement and financial assistance across the federal government to reduce duplication and/or identify opportunities for shared services.
 - Use federal spending data to develop anti-fraud analytics (e.g. using data on government procurement to identify risk factors for fraudulent government contracts).
 - Use federal spending data to identify cross-government resources that could be deployed to address time-sensitive funding needs or government-wide emergencies (e.g. opioid crisis, hurricanes) as well as improve forecasting and planning activities.
 - Overlay unemployment data with federal programs at the state, local, and county level to see if federal assistance is going to places with greatest need.

- **Creating Opportunities for Federal Grant Recipients**
 - Analyze federal grants across agencies to help determine their impact on program objectives (e.g. analysis of grant funding to aid specific regions or demographic groups; analysis of grants for state and local infrastructure).
 - Track federal grants awarded to local government recipients to evaluate total federal spending by program area and evaluate trends and changes over time.
 - Combine federal spending data with federal audit data to inform risk assessment for grant recipients and subrecipients.

- **Developing New Business Insights**
 - Use data on government procurement to identify business trends and opportunities for current or potential government contractors.
 - Identify sources of government funding in job training, technology modernization, and other business-relevant concerns across all agencies.
 - Analyze historical spending by agencies to develop business intelligence on how agencies may direct their spending in the future.

- **Supporting Academic and Policy Research**
 - Analyze the impact of federal spending in key areas of national concern (e.g. health, housing and infrastructure, environmental quality, veterans' affairs, education).
 - Combine federal spending data with Census data to assess total spending by subpopulation (e.g. by class, race, education, employment).
 - Compare federal taxation with federal spending for different geographic areas, down to the zip code level.

- **Increasing Transparency and Accountability**
 - Use federal spending data for additional Congressional oversight (e.g. informing budget authorization and appropriations process, providing detailed, program-level analysis of spending by appropriations subcommittee jurisdiction, enabling Congress and public to evaluate emergency supplemental funding requests).
 - Analyze criminal justice-related issues (e.g. federal spending on incarceration, spending and impact of federal investigative resources, value of funds collected by the federal government through civil asset forfeiture).
 - Apply federal spending data as an information source for investigative journalism.

RECOMMENDATIONS FOR INCREASING USE AND IMPACT

In addition to identifying key applications of federal spending data in these specific areas of activity, several cross-cutting ideas for increasing the use and impact of this data emerged during the breakout sessions. Many of these broad recommendations could be applied across government with leadership from the Department of the Treasury, the Office of Management and Budget, and other key agencies.

- **Link performance data with federal spending data.** Several participants suggested connecting federal spending data to performance measures to evaluate the return on investment for federal dollars. By choosing the right performance metrics, it could be possible to evaluate the impact of federal grants, contracts, loans, and awards; the impact of funds spent within federal agencies; and other aspects of government performance. This kind of analysis could help to identify underfunded or overfunded programs across the federal government and evaluate budget proposals in the context of evidence-based policymaking.
- **Share analytics from USAspending.gov with federal agencies.** By sharing analytics from [USAspending.gov](https://www.usaspending.gov), the Department of the Treasury could help agencies determine how their data is being used and develop targeted outreach based on that analysis. The Department of the Treasury could also build analytics dashboards for federal agency leadership, including chief financial officers and chief information officers, to better inform management.
- **Add contextual information and guidance for using federal spending data.** Federal spending data requires additional context to become more valuable to a wide range of users, many of whom have no previous experience with this kind of data. The Department of the Treasury could help data users understand how to use federal spending data and the updated website through plain-language trainings and expanded user guides. Providing greater context for data visualizations on the updated website could also help build a richer story about the value of federal spending data for different user groups.

Roundtable participants also recognized a number of ways to build on current efforts being led by the Department of the Treasury. They recommended continuing these efforts and taking additional steps in several areas:

- **Making federal spending data more discoverable and interoperable.** Participants suggested connecting [USAspending.gov](https://www.usaspending.gov) with [Data.gov](https://www.data.gov) and other federal government data sources to encourage greater discoverability, accessibility, and use of federal spending data. Many also noted that the DAIMS could be applied beyond federal spending data to standardize other data across the federal government, encouraging greater interoperability of federal data assets.

- **Improving data quality.** Data released under the DATA Act will become more valuable as its quality improves. The Department of the Treasury could engage agency data providers and data users to help in this effort, for example, by hosting working sessions to identify data quality issues or creating a forum to post issues that users have identified. Taking a technical approach, it may also be possible to leverage artificial intelligence, blockchain, and/or other shared data infrastructures to increase data quality. Another idea is for the Department of the Treasury to add a quality rating for data to increase confidence and business use of federal spending data. These ratings could also be added to [USAspending.gov](https://www.usaspending.gov) and reported back to agencies to identify areas for improvement.
- **Engaging stakeholders.** In addition to general outreach, the Department of the Treasury could target stakeholders around specific issue areas or reach out to different user groups. For example, the Department of the Treasury could focus on engagement with state and local governments, identifying key points of contact and holding regular calls with state and local officials. Similarly, the Department of the Treasury could engage with the academic community through supporting new research projects, or developing programs to reach students interested in public policy and/or data science. Other recommendations included focusing stakeholder engagement on specific areas of interest, such as small businesses interested in government contracting or nonprofit organizations working to reduce homelessness. The Department of the Treasury could amplify these efforts by hosting hackathons and data bowls or leveraging government platforms like [Challenge.gov](https://www.challenge.gov) and [Innovation.gov](https://www.innovation.gov).

CONCLUSION

Over the last decade, organizations inside and outside of the U.S. government have used data on federal spending as a key source of information. This data is now being reported using government-wide data standards and published on an updated website with new features and functionality, greatly increasing the value and impact of this already important resource. The Department of the Treasury and the Office of Management and Budget have been conducting an implementation program that opens up many new possibilities for the use of federal spending data. This Roundtable was a valuable opportunity for stakeholders to provide feedback to the Department of the Treasury, and a step towards the increased stakeholder engagement that will continue to build this data's impact.

ABOUT THE CENTER FOR OPEN DATA ENTERPRISE | The Center for Open Data Enterprise is an independent nonprofit organization, based in Washington, DC, that develops smarter open data strategies for governments, businesses, and other nonprofits by focusing on data users. Our mission is to maximize the value of open data as a public resource. We welcome feedback on this report. Please send comments and inquiries to Katarina Rebello, Policy Fellow, at katarina@odenterprise.org.

The Center for Open Data Enterprise thanks our Open Data Partners, Accenture Federal Services and Booz Allen Hamilton, for supporting the Center’s work on the 2017-2018 Open Data Roundtables.



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