Implementation of the DATA Act

Information contained in this presentation was provided by OMB at the March 2016, National Association of State Comptrollers Conference
Purpose & Discussion Topics

Discussion Topics

- DATA Act Overview
- Section 5 Grants Pilot
- Data Centric Vision
- Opportunities for Involvement
In May 2014, Public Law 113-101 Digital Accountability and Transparency Act of 2014 (DATA Act) was signed into law with the purpose to establish government-wide financial data standards and increase the availability, accuracy, and usefulness of federal spending information.
Standardization is needed!

**Town Hall**
For projects that are considered town-wide.

**Mileage Marker**
The closest identifiable marker for the location of the award.

**State Capitol**
For projects that are considered statewide.

**Contractor’s Business Address**
The legal business address of the contractor.

**Contractor’s Worksite**
The physical location where the work under the award is carried out.

**Primary Place of Performance** definitions include the phrase “where the predominant performance of the award will be accomplished” which could be interpreted inconsistently and result in incomparable data on the location for federal road projects.

Source: GAO analysis of Office of Management and Budget and Treasury information. | GAO-16-261
The goal of the Pilot is to implement Section 5 of the Digital Accountability and Transparency Act (DATA Act) of 2014, Pub. L. No. 113-101, which requires the Federal Government to, “establish a pilot program with the participation of appropriate Federal agencies to facilitate the development of recommendations for –

(A) standardized reporting elements across the Federal government (§5(b)(1)(A));

(B) the elimination of unnecessary duplication in financial reporting (§5(b)(1)(B));

(C) the reduction of compliance costs for recipients of Federal awards (§5(b)(1)(C)).”

The Office of Management and Budget (OMB) has engaged HHS to serve as the executing agent for the Section 5 Grants Pilot.
<table>
<thead>
<tr>
<th>Activity</th>
<th>Deadline</th>
</tr>
</thead>
</table>
| **Section 5:** Establish Pilot program that will generate recommendations to standardize reporting, eliminate duplication and unnecessary reports, and reduce compliance costs | • Establish 1 year after enactment  
• Complete within 2 years after pilot established  
• May 2015 – May 2017                                                     |
| **Section 5:** Report on results of pilot                                | • 90 days after pilot completion  
• August 2017                                                               |
| **Section 5:** Guidance to agencies on how data standards can reduce burden and simplify reporting requirements/eliminate duplication | • 1 year after Report  
• August 2018                                                               |
Section 5 Grants Pilot Framework takes a holistic approach to meeting the Section 5 Pilot Goals by:

- **Collecting** feedback through the National Dialogue ([https://cxo.dialogue2.cao.gov/](https://cxo.dialogue2.cao.gov/)).
- **Analyzing** data centric forms.
- **Testing** models like the CDER Library, Consolidated FFR, Single Audit, NOA – POC, Learn Grants, and other models as appropriate.
- Each component of the Framework interacts with and informs the others.
- Time frames associated with each test model will align with legislative requirements to execute the Pilot by May 2017, and support OMB’s report due to Congress by August 2017.

**Section 5 Pilot Goals**

- Standardize reporting elements.
- Eliminate unnecessary duplication.
- Reduce compliance costs for Federal award recipients.
HHS has conducted a Town Hall, a series of Subject Matter Expert (SME) meetings, and a Pretest Meeting to inform the development of the Section 5 Grants Pilot test models. Groups represented included: FDP, AGA, NGMA, DTC, ACT-IAC, NCURA

**Section 5 Grants Pilot Timeline Update**

- **May 2015**: Pilot Activities Begin
- **September 23, 2015**: OMB Concurs on Test Models
- **November 2, 2015**: Federal Register Notice Published*
- **November 20, 2015**: Section 5 Grants Pilot Town Hall
- **January 2016**: Design Effectiveness Pretest Meeting
- **May 2016**: Select Pilot Participants
- **May 2017**: Begin Collection of Pilot Data
- **May 2017**: Pilot Data Collection Ends
- **August 2017**: Submit Report to Congress

**Paperwork Reduction Act (PRA) Review**

- **November 2, 2015**: OMB Concurs on Test Models
- **November 20, 2015**: Section 5 Grants Pilot Town Hall
- **January 2016**: Design Effectiveness Pretest Meeting
- **May 2016**: Select Pilot Participants
- **May 2017**: Begin Collection of Pilot Data
- **August 2017**: Submit Report to Congress
Section 5 Grants Pilot Test Models

Common Data Element Repository (CDER) Library

Designed to be a federal-wide, online repository for grants-specific data standards, definitions, and context.

Test 1: Provide grantees with data element definitions to identify potential changes in accuracy and speed of grant lifecycle form completion.

Test 2: Identify form duplication and update/reduce forms to reduce grantee burden.

Consolidated Federal Financial Reporting (FFR)

A test model that will allow grantees to submit the FFR form in one system, rather than in multiple entry systems.

Test: Provide grantees with one consolidated process for submitting the FFR to identify potential changes in the time it takes to complete and submit two separate components of the FFR.

Focus Group Discussion: Walk participants through the changes to the FFR and allow for questions/feedback.

Single Audit

A financial statement audit of an organization’s federal funds.

Test: Provide grantees with draft 2016 expanded Single Audit form (SF-SAC only) and collect participant feedback on a more streamlined approach for SF-SAC/SEFA reporting.

Focus Group Discussion: Present draft expanded Single Audit form and allow participants to comment upon the SF-SAC changes in a live setting.

Notice of Award – Proof of Concept (NOA – POC)

A document containing information a grant recipient needs to perform routine accounting and finance operations.

Test: Provide grantees with standardized NOA cover sheet for Federal awards to populate a data collection tool. Identify potential changes in speed of completing the data collection tool with and without the standardized NOA.

Learn Grants

An online web portal that provides information for grant recipients to access federal grant lifecycle information.

Test: Determine users’ level of understanding on the grants lifecycle after using Learn Grants.
Opportunities for Involvement

There are several ways to participate in DATA Act Section 5 Pilot for Grants activities.

- **Send inquiries and feedback to** [DATAActPMO@hhs.gov](mailto:DATAActPMO@hhs.gov).
- **Visit the HHS Website at** [www.hhs.gov/dataactpmo](http://www.hhs.gov/dataactpmo).
- **Follow DAP on Twitter at** [www.twitter.com/HHS_DAP](http://www.twitter.com/HHS_DAP).
- **Visit the CDER Library at** [https://repository.usaspending.gov/poc-tool/](https://repository.usaspending.gov/poc-tool/).
- **Join the National Dialogue at** [https://cxo.dialogue2.cao.gov](https://cxo.dialogue2.cao.gov).

For more information on the DATA Act, visit [https://www.usaspending.gov/Pages/Data-Act.aspx](https://www.usaspending.gov/Pages/Data-Act.aspx).