Data Foundation DATA Act Training Program

DATA Act Section 5 Pilot

Beyond Agency Finance: How the DATA Act will Transform Grant Reporting

June 8, 2017
Purpose
Provide an overview of the President’s management agenda and a status update on the DATA Act Section 5 Pilot.

Discussion Topics

- President’s Management Agenda
- Federal Spending Transparency and Grants Context
- DATA Act Overview
- Section 5 Pilot
- Section 5 Grants Pilot
The Administration will take action to ensure that by 2020, we will be able to say:

1. Federal agencies are managing programs and delivering critical services more effectively.

2. Federal agencies are devoting a greater percentage of taxpayer dollars to mission achievement rather than costly, unproductive compliance activities.

3. Federal agencies are more effective and efficient in supporting program outcomes.

4. Agencies have been held accountable for improving performance.
Federal Spending Transparency and Grants Context

2006 • Federal Funding Accountability and Transparency Act (FFATA)

2009 • American Recovery and Reinvestment Act (ARRA)

2011 • Government Accountability and Transparency Board (GATB)

2013 • Uniform Guidance – 2CFR 200

2014 • Digital Accountability and Transparency Act (DATA Act)
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.

Refer to the complete DATA Act legislation for additional information.
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)).”
Section 5 Pilot: Two Focus Areas

The Office of Management and Budget (OMB) established a Section 5 Pilot (Pilot) with two primary focus areas — one on Federal grants and another on Federal contracts (procurement).

- Per statute, the Pilot began on May 9, 2015 and grants track concluded May 9, 2017.

**Grants**

Conducted six Test Models that examined standardization, access to information, and streamlining and centralizing reporting.

- OMB designated HHS as the executing agent of the Federal grants portion of the Pilot.

**Contracts (Procurement)**

Developed and tested a proof of concept portal that could be used to submit reports required by the Federal Acquisition Regulation (FAR).

- OMB’s Office of Federal Procurement Policy (OFPP) worked with the General Services Administration’s (GSA) 18F to develop this test.

Results from both tracks were used to develop recommendations for Congress.
The following is a timeline of major Pilot activities:

- **Nov. 2014**: Planning for Pilot begins.
- **Mar. 2016**: HHS begins collection of data for grants portion of Pilot.
- **Sep. 2016**: OMB and GSA begin to develop proof of concept portal for procurement portion of Pilot.
- **Feb. 2017**: Data collection for procurement portion of Pilot begins.
- **May 2017**: Grants Pilot ends.
- **Aug. 2017**: OMB submits Report to Congress.
HHS began planning for the grants portion of the Section 5 Pilot in November of 2014. Since then, HHS has designed, executed, and collected results on six Test Models to develop recommendations for Congress to reduce grant recipient reporting burden.

**Common Data Element Repository (CDER) Library 1**

Tested the effectiveness of the CDER Library as a tool to improve the accuracy and speed of grants lifecycle forms completion to help reduce grant recipient reporting burden.

**Common Data Element Repository (CDER) Library 2**

Identified duplication across forms using the CDER Library so that agencies could update/reduce forms to reduce grant recipient reporting burden.

**Consolidated Federal Financial Report (CFFR)**

Tested the efficiencies gained using a single grants reporting entry point.
HHS began planning for the grants portion of the Section 5 Pilot in November of 2014. Since then, HHS has designed, executed, and collected results on six Test Models to develop recommendations for Congress to reduce grant recipient reporting burden.

**Single Audit**
Tested the effectiveness of a more streamlined approach for SF-SAC/SEFA reporting for the Single Audit Report package.

**Notice of Award – Proof of Concept (NOA – POC)**
Tested the effectiveness of how standardizing the NOA could result in efficiencies for grant recipients.

**Learn Grants**
Tested the effectiveness of a tab on the Grants.gov website that promotes knowledge sharing among the grants community.
Five of the six Test Models required participation from grant recipients. HHS used a multi-pronged approach to solicit participation in the Test Models. Communication channels included:

- **Newsletters**: Bi-monthly newsletter distributed to external stakeholders.
- **Website**: External facing child page within hhs.gov (www.hhs.gov/dataactpmo).
- **Twitter**: Twitter account – @HHS_DAP (www.twitter.com/HHS_DAP).

Additionally, HHS reached out to potential participants through email distributions via the GovDelivery online platform.
In conducting the Grants Pilot, HHS obtained one of the largest participation rates ever from the Federal grants community.

- HHS developed the Pilot framework based upon the foundation of the Grants Reporting Information Project (GRIP). In total, HHS had over 500 participants within the Grants Pilot, a 5,467% increase from the GRIP Report.

### Section 5 Grants Pilot Test Model Data

<table>
<thead>
<tr>
<th>Test Model</th>
<th>Total Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDER 1</td>
<td>59</td>
</tr>
<tr>
<td>CFFR – Facilitated Discussion</td>
<td>30</td>
</tr>
<tr>
<td>CFFR – ACF Pilot</td>
<td>115</td>
</tr>
<tr>
<td>Single Audit – Facilitated Discussion</td>
<td>123</td>
</tr>
<tr>
<td>Single Audit – Form Completion</td>
<td>13</td>
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<tr>
<td>NOA-POC</td>
<td>104</td>
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<tr>
<td>Learn Grants</td>
<td>57</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>501</strong></td>
</tr>
</tbody>
</table>

Section 5 Grants Pilot participants represented the following organizations:

- Federal Government
- For Profit Organizations
- Higher Education
- State/Local Government
- Native American Tribes
- Non-Profit Organizations
- Other
Thank You

For more information, please contact OMB at spendingtransparency@omb.eop.gov or HHS at DATAActPMO@hhs.gov.