Federal Budget Tip Sheet: Transparency and Data

Key Fact: Government services like clean water, education, and security are provided through an extensive system of contracts and grants to states and to local businesses and nonprofits, as well as by federal employees who live and work in every state. Americans have a right to know how their federal tax dollars are being spent, from who's getting federal contracts – and for what – to where federal employees work and what they're being paid.

In 1983, the U.S. government began publishing a complete report of federal spending in every state, county, and congressional district. In 2012, it stopped.

Shortly after President Obama took office, he issued a [memo](#) promising an "unprecedented level of openness in Government." Since then, federal agencies have been busy publishing data. USASpending.gov is now the website designed to show the public how their federal tax dollars are spent each year. But USASpending data is fraught with omissions and inconsistencies. In addition, the site excludes entire categories of spending entirely, notably federal salaries and benefits.

Working for Transparency: The National Priorities Project (NPP) works to make the federal budget accessible in four ways:

1. Providing meaning and stories to make sense of the numbers
2. Creating open data accessible to everyone
3. Watchdogging open data to ensure its availability and quality
4. Advocating for better open data to keep the system working

Providing Meaning and Context: Historically, agencies that publish government data have pre-packaged it for a specific audience, which can limit its usefulness to others. Open data differs from the pre-packaged variety because it's granular – it has a lot of detail – and machine-readable so it's easily used by computers, making it useful to a wider range of people. For example, instead of getting the total contract dollars received by business in a county, we can now download a record of each individual contract. And we can get the information faster, without waiting until the end of a fiscal year.

The trade-off is that more granular, more timely information without all the pre-packaging can be more difficult to understand, because it often doesn't come with much documentation or the phone number of someone who can explain it. Thus, the role of intermediaries like NPP, who can make meaning of the data, is increasingly important.

Creating Open Data: Sometimes the numbers we need are available, but only in a format that's not easily read by computers, making them hard to analyze. Another part of our work is to unlock these data and contribute them back to the community. An example is historic tax break estimates from the Office of Management and Budget. We turned 40 years of PDFs into an [open source, machine-readable dataset](#) that allows us to track the cost of tax breaks over time.

Watchdogging Open Data: Despite the tremendous amount of federal data that's been released in the last few years, there's much work to be done. Citizens have a right to know what the government has chosen not to publish, and they have a right to assume that government-published data are accurate.

Federal spending data—arguably the most important information our government publishes—has proven especially challenging. The Census Bureau has stopped publishing its complete report of government spending (called the Consolidated Federal Funds Report). The USASpending.gov website, now the only remaining central source for localized federal spending information, is fraught with omissions and inconsistencies. For example, The U.S. Government Accountability Office (GAO) reported that in fiscal year 2012, nearly $619 billion of assistance award money was underreported in USASpending, and USASpending was missing spending information completely for 342 federal programs.[i] In addition, the site excludes entire categories of spending entirely, notably federal salaries and benefits.

Advocating for Better Open Data: A bigger-picture shortcoming of federal spending data is the different formats used by different parts of the government. As a result, it's impossible to match spending records from the Treasury back to specific programs. In other words, when the U.S. government cuts a check, we can't trace that money back through the budget cycle to its original authorization.

Money authorized by Congress in the budget

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Money set aside by agencies for specific programs

Checks written by Treasury

In 2014, President Obama signed the Digital Accountability and Transparency Act (DATA Act) into law. This legislation requires that agencies and recipients of federal money follow standardized reporting procedures. It also stipulates that budget appropriations and detailed information about Treasury accounts be added to USASpending.

The goal is that the public will have greater insight into how the federal budget translates to spending on specific federal programs.

Unfortunately, the DATA Act does not mandate improvements for the grant and contract data already in USASpending, and it doesn't require that any of the new data be localized. In other words, it doesn't replace the federal spending data by state, county, and congressional district that the government used to provide in the CFFR.

Regardless, the DATA Act is an important step toward transparency, but its successful implementation will be challenging. With many of the milestones years away, we'll need leadership from the agencies and commitment from the next administration to ensure its success.

More about Transparency and Data: bit.ly/NPPtransparency

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[i] U.S. Government Accountability Office, Oversight Needed to Address Underreporting and Inconsistencies of Federal Award Website.