

# Washington Update



## DATA ACT PROGRAM MANAGEMENT OFFICE SEEKS HELP WITH SECTION 5 GRANTS PILOT TEST MODELS

The Department of Health and Human Services' DATA Act Program Management Office (DAP) is asking recipients of federal awards to participate in the Section 5 Grants Pilot Test Models survey. The survey outlines brief descriptions of each of the five test models and asks survey participants to indicate which test models in which they are interested participating. ***The deadline for this survey to be submitted to DAP is Wednesday, May 4.***

DAP will provide respondents with additional information upon receiving their survey submissions. Please note all test models will be conducted remotely via email or through an online webinar.

The Digital Accountability and Transparency Act of 2014 was enacted with the purpose of establishing government-wide financial data standards and increasing the availability, accuracy, and usefulness of federal spending information. Section 5 of the DATA Act requires the federal government to establish a pilot program with the participation of appropriate federal agencies to facilitate the development of recommendations for:

- Standardized reporting elements across the federal government.
- Elimination of unnecessary duplication in financial reporting.
- Reduction of compliance costs for recipients of federal awards.

Please direct any questions to [DATAActPMO@hhs.gov](mailto:DATAActPMO@hhs.gov). The full survey can be found at <https://www.surveymonkey.com/r/6YYSMNX>.

## NASBO ANALYZES PERFORMANCE DATA FOR STATE FISCAL POLICIES

The National Association of State Budget Officers has released a report that examines how state-level performance management can improve day-to-day operations across agencies, as well as assessing program performance and return on investments

The report, "Methods and Tools to Use Performance Data at the State Level: Key Terms, Definitions and How They Connect," offers recommendations to increase the likelihood of success in effectively leveraging performance information and evidence to inform decision making.



Specifically, the report recommends:

- Understanding the different methods and tools available for states to promote data-informed decision-making, and how they can work together to foster a culture of continuous improvement.
- Not framing the approach as a budget-cutting or punitive exercise for agencies.
- Showing agencies how they can use data to manage their programs and demonstrate program benefits.
- Building data and evaluation capacity within state government, possibly through partnerships with public universities.
- Exploring opportunities to integrate disparate data systems to enable more useful analysis.
- Working closely with legal counsel when dealing with data that includes personally identifiable information.

The report also discusses the new municipal market financing option called Social Impact Bonds:

“Pay for Success” (PFS) contracts (also known as “social impact bonds” or “social innovation financing”) have emerged as an alternative financing mechanism for state and local governments to fund innovative, evidence-based social policy interventions when taxpayer funds are not available. Under this model, the government generally contracts with a private or nonprofit entity to provide a program, and only pays for the program if it achieves its performance targets. The service provider and/or the state typically selects a financial intermediary to raise working capital from philanthropic or commercial firms to cover upfront costs, and these “investors” may earn a return or incur a loss depending on the success of the program, as determined through rigorous program evaluation. In this way, PFS can be viewed as a tool designed to support performance budgeting, by providing a means of financing evidence-based programs.”

The full report can be found at [www.nasbo.org/sites/default/files/pdf/Key%20Terms%20on%20Using%20Performance%20Data.pdf](http://www.nasbo.org/sites/default/files/pdf/Key%20Terms%20on%20Using%20Performance%20Data.pdf).

## GAO: DATA ACT PROGRESS FACES “SIGNIFICANT CHALLENGES”

The U.S. Government Accountability Office has released its latest progress report on the implementation of the Digital Accountability and Transparency Act of 2014. GAO found that there are still several challenges that need to be addressed in order to successfully meet the DATA Act’s requirements. Specifically, GAO noted that:

Treasury’s technical guidance continues to evolve and lacks finality, which may impede agency implementation. Treasury has issued several iterative versions of the technical schema that describes the standard format for reporting data elements, but each iteration results in revisions to the technical guidance which may adversely affect the timely implementation of the act.

Federal agencies have identified significant challenges in implementing the DATA Act including competing priorities, resources, systems integration and guidance. Some agencies also identified strategies to mitigate identified challenges, including effective communication and information sharing and leveraging of existing resources, and reported that additional support from the U.S. Office of Management and Budget and Treasury is needed for successful implementation.

GAO has been unable to close any DATA Act recommendations, including those calling for establishing a data governance structure, developing a federal program inventory and expanding two-way dialogue with stakeholders.

The full DATA Act progress report can be found at [www.gao.gov/assets/680/676696.pdf](http://www.gao.gov/assets/680/676696.pdf).

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