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REMOVING THE SHROUD OF SECRECY: MAKING GOVERNMENT MORE TRANSPARENT AND ACCOUNTABLE—PARTS I AND II

HEARINGS

BEFORE THE

FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT INFORMATION, FEDERAL SERVICES, AND INTERNATIONAL SECURITY SUBCOMMITTEE

OF THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS UNITED STATES SENATE

OF THE

ONE HUNDRED ELEVENTH CONGRESS

SECOND SESSION

MARCH 23 and APRIL 13, 2010

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CONTENTS

	Page
Opening statements:	
Senator Carper	1, 25
Senator Coburn	15
Prepared statements:	
Senator Carper	47, 51
Senator McCain	49
Senator Coburn	53

WITNESSES

TUESDAY, MARCH 23, 2010

Vivek Kundra, Federal Chief Information Officer and Administrator for Electronic Government and Information Technology, Office of Management and Budget	5
Hon. Aneesh Chopra, Chief Technology Officer and Associate Director for Technology, Office of Science and Technology Policy, Executive Office of the President	7
Hon. David S. Ferriero, Archivist of the United States, National Archives and Records Administration	9
Ellen Miller, Co-Founder and Executive Director, Sunlight Foundation	23

TUESDAY, APRIL 13, 2010

John Wonderlich, Policy Director, Sunlight Foundation	27
Stephen W.T. O'Keeffe, Founder, MeriTalk Online	29
Thomas Blanton, Director, National Security Archive, George Washington University	33

ALPHABETICAL LIST OF WITNESSES

Blanton, Thomas:	
Testimony	33
Prepared statement	85, 97
Chopra, Hon. Aneesh:	
Testimony	7
Prepared statement	61
Ferriero, Hon. David S.:	
Testimony	9
Prepared statement	67
Kundra, Vivek:	
Testimony	5
Prepared statement	54
Miller, Ellen:	
Testimony	23
Prepared statement	72
O'Keeffe, Stephen:	
Testimony	29
Prepared statement	79, 93
Wonderlich, John:	
Testimony	27
Prepared statement	89

ph44585 on D330-44585-7600 with DISTILLER

VerDate Nov 24 2008 13:37 Dec 01, 2010 Jkt 056893 PO 00000 Frm 00003 Fmt 5904 Sfmt 5904 P:\DOCS\56893.TXT SAFFAIRS PsN: PAT

Page

APPENDIX

Robert Pinkerton, Director, Public Sector Solutions, Adobe Systems, Inc., prepared statement 75
Stephen W.T. O'Keeffe, Founder, MeriTalk, prepared statement with attachments 79
Thomas Blanton, Director, National Security Archive, George Washington University, prepared statement 85
Questions and Responses for the Record:
Mr. Kundra 101

ph44585 on D330-44585-7600 with DISTILLER

REMOVING THE SHROUD OF SECRECY: MAKING GOVERNMENT MORE TRANSPARENT AND ACCOUNTABLE—PART I

TUESDAY, MARCH 23, 2010

U.S. SENATE,
SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT,
GOVERNMENT INFORMATION, FEDERAL SERVICES,
AND INTERNATIONAL SECURITY,
OF THE COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS,
Washington, DC.

The Subcommittee met, pursuant to notice, at 2:31 p.m., in room SD–342, Dirksen Senate Office Building, Hon. Thomas R. Carper, Chairman of the Subcommittee, presiding.

Present: Senators Carper and Coburn.

OPENING STATEMENT OF SENATOR CARPER

Senator CARPER. Well, good afternoon, everyone. The Subcommittee will come to order.

Senator Coburn and I were talking back in the anteroom about what is going to happen on the floor. It will be interesting to see what happens on the floor this afternoon, but we are going to go ahead and get started, and we will see how far we can go. We appreciate that our panel of witnesses could be here today. We will do as much as we can, and if we have to, we will just recess or adjourn and come back around midnight. [Laughter.]

Well, maybe not that late, but it looks like we could be here for a long time tonight. Hopefully you will not have to be. But our thanks to our guests and our witnesses for joining us today. For the next hour or so, we are going to discuss ways that President Obama and his team of Open Government experts, some of whom are here today, can reshape old and inefficient bureaucratic agencies into lean—not so mean—citizen-focused machines.

We have also invited a panel of outside experts to testify on areas where the Administration is doing well, what areas they may need to apply a bit more attention, and more importantly, how making agencies more open and transparent will make the lives of America's 300 million citizens better.

I am told that Albert Einstein once said that, "Information is not knowledge." Now, I would also like to quote Albert Einstein who said, "In adversity lies opportunity." I have never heard this quote, but my staff told me that he also said, "Information is not knowl-

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edge." And I think that statement is as true today as it was then. In the 21st Century, information is power.

In fact, some would say that the U.S. economy has experienced a surge in job and wealth creation over the past three decades because of the information revolution and advances in technology. But like any other tool, information unto itself does not do us a lot of good unless we know how to use it.

For example, just because we simply possess a hammer does not mean a house will build itself, but if we know how to use the hammer, then we can see how a house can be built and go right ahead and build it. I think the same is true with government information.

So we called this hearing not only to see what agencies need to do to open up their treasure troves of information, but also I would like for us to learn how releasing this information will reduce wasteful agency spending, make senior leaders more accountable, and improve, we hope, the lives of everyday Americans.

On his first day in office, President Obama took an extraordinary step in signing an Open Government Directive which instructed agencies to open their operations to the public. The idea behind the directive is that a more Open Government allows members of the public to contribute ideas and their expertise to government initiatives. This collaboration will hopefully improve the effectiveness of agenies by encouraging partnerships and cooperation within the Federal Government, across levels of government and between the government and the private sector.

Further providing more government information by default instead of by exception will help reduce the financial and administrative burdens on the Freedom of Information Act (FOIA) process and spur innovation in the private sector. But as our Administration moves forward on these new and exciting initiatives, I want to make sure that we are sticking to fundamentals.

For example, I am told that despite the fact that legislation such as the Presidential Records Act and the Federal Records Act have been law for decades, agencies have done an abysmal job when it comes to preserving their physical and electronic records. In fact, it was only 2 years ago when we held a hearing that touched on the fact that the Bush White House could not locate millions of e-mails, including those from the 3 months leading up to the invasion of Iraq. That type of situation is just unacceptable, and we need to make sure that it is not repeated again.

Further, as our witnesses may know, I joined Senators Coburn and McCain and a former Senator named——

Senator COBURN. Obama.

Senator CARPER. Senator Obama, a few years ago when he was a mere mortal, passed the Federal Funding, Accountability, and Transportation Act under the leadership of the fellow sitting here to my right. My colleagues and I put forward this legislation to increase the transparency and accountability of the Federal Government by providing access to information on Federal spending through a single, searchable, publicly available Website. However, the Government Accountability Office (GAO) recently released an evaluation of USAspending.gov, the Website created as a result of Senator Coburn's legislation, and it seems that there have been some problems.

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For example, GAO stated that there were widespread inconsistencies between the information provided on USAspending.gov and the actual physical records of transactions. And, furthermore, the Office of Management and Budget (OMB) apparently does not hold agencies accountable for ensuring that information placed on the site is accurate and reliable. So before we start pushing agencies to spend time and money on releasing more information, we want to make sure that the information we have is reliable and accurate.

In closing, then, I will just add that as we discuss all the new, exciting initiatives that the Administration has underway or plans on undertaking in the near future, we need to keep our eye on the ball. Our job does not just end at making information freely available, but in making sure that the information can be effectively used to improve services to every American, to reduce wasteful spending, and to enforce accountability.

Again, thanks to our witnesses for taking your time to be here with us today and for sharing your ideas on these and other important issues. I am not going to recognize Senator McCain, although my script says to do that, but I do want to recognize the Senator from Oklahoma whose initials I share and whose passion I share for trying to make government work better, more cost effectively.

And I want to say, Senator Coburn, it was an honor to join you and a couple of our colleagues a number of years ago to pass legislation that we thought at the time could do a great service to this country. And I do not think we have realized its full potential yet, but we now have an Administration here that seems to be intent on making sure that we do reach that potential, and when we do, you are going to get a lot of credit.

So thanks very much for being here today.

Senator COBURN. Thank you. Well, welcome to each of you. The President and I and Senator Carper and Senator McCain worked very hard to put into place one of the tools we thought that American citizens could hold us accountable by. I must say I am significantly disappointed at both the quality and the depth of information that is available. I applaud President Obama for wanting to make more steps towards transparency, but I would caution him that if we cannot do the first one, the simplest one, and we cannot do it well, why would we start off on other areas until we got the first one right?

So I look forward to your testimony. I have a lot of questions about the Transparency and Accountability Act. It is of no value when the vast majority of the money is subcontracted and we do not have any intent or have the information with which to hold subcontractors, sub-grantees, sub-awardees, accountable. Let me just give you two examples.

During Hurricane Katrina, we paid the Corps of Engineers $60 a cubic yard to get rid of the debris. The guy on the ground eight layers lower was getting $6 a yard. We consumed $54 in sub-grantees before we picked up the first cubic yard of debris, and we paid 10 times more for that than what the actual cost of picking up the debris and hauling it off was. If we are not going to do sub-awards and sub-grantees, there is no reason to have the site in the first place.

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The other thing that is very dangerous about it is we are creating an expectation of the American public, and then we are going to pop the balloon. If the American public goes there thinking they can find out and it is not available—it was not just for Congress that we asked this.

The other thing I would note is by June 30 of this year the law mandates—it does not say you may, it says you will have put in place a system to measure sub-grants, sub-awards, so that everybody in this country can see it. I am going to have a lot of questions in that regard.

I know it is a tough effort. I do not deny that. But unless we have the OMB pushing down and holding the agencies accountable, it is never going to happen. I would like to see as much emphasis in fixing the Transparency and Accountability Act as the Administration plans to put on these other wonderful areas of transparency that we need. But if their results are the same as the Transparency and Accountability Act, we are going to create more disappointment in the American public.

Thank you, Mr. Chairman.

Senator CARPER. Thank you, Senator Coburn.

I want to turn to our witnesses and go ahead and introduce them. We may start voting at about 2:45 p.m., and if we do, if we just have one vote, Dr. Coburn, I do not know if you want to tag-team and I could stay here until maybe you could run and vote and then come back. But just think about that, if that might work for you. That way we can keep going.

Senator COBURN. I will try to do that.

Senator CARPER. Good. Thanks so much.

Let me just start by introducing our first three witnesses today. First we have a familiar face who is no stranger before this Subcommittee. Vivek Kundra is the Federal Chief Information Officer of the United States and responsible for overseeing the Federal Government's management of information technology. He comes to us most recently from the District of Columbia where he was recognized by InfoWorld as one of the top 25 chief technology officers not just in the District of Columbia, not just in the United States, but around the world. Congratulations and we thank you very much for your service. We thank you for being here and for the dialogue that we have enjoyed in the past year or so.

Next up we have the Hon. Aneesh Chopra, who is the Chief Technology Officer of the United States. I understand that Mr. Chopra and Mr. Kundra are the ones responsible for tag-teaming President Obama's technology and transparency initiatives. Mr. Chopra comes to us from the Commonwealth of Virginia where he was the Secretary of Technology. Who was the governor then? Not Warner.

Mr. CHOPRA. Tim Kaine.

Senator CARPER. Tim Kaine, OK. I am told that you and Mr. Kundra also served together in Virginia at the same time. Is that right?

Mr. CHOPRA. Yes.

Senator CARPER. OK. We are grateful for you to be here today and serving together once more.

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The final witness is the Hon. David Ferriero, Archivist of the United States and the head of the National Archives and Records Administration. Essentially, he is the defender of our Nation's history. That is a heavy burden to carry. He has previous experience at the New York Public Library, at MIT, and he is a veteran of the U.S. Navy.

We thank you, Mr. Ferriero, and the rest of our panelists for taking the time to be with us here this afternoon. I am going to recognize Mr. Kundra to begin with his opening statement. I was able to read everyone's written statements, so if you want you can summarize for about 5 minutes. If you go a couple minutes over that, I will not rein you in, but if you go too far over, then I will have to. But we look forward to having a great dialogue here with you this afternoon. Thank you so much for your preparation and for your presence and for your willingness to have this discussion with us today. Thank you.

And your entire statements will be made part of the record, for each witness.

Mr. Kundra, you are recognized.

TESTIMONY OF VIVEK KUNDRA,[1] FEDERAL CHIEF INFORMATION OFFICER AND ADMINISTRATOR FOR ELECTRONIC GOVERNMENT AND INFORMATION TECHNOLOGY, OFFICE OF MANAGEMENT AND BUDGET

Mr. KUNDRA. Good afternoon, Chairman Carper, Senator Coburn, and Members of the Subcommittee. Thank you for the opportunity to testify about how this Administration is working to make government more transparent and accountable for the American people.

On his first full day in office, President Obama signed the Memorandum on Transparency and Open Government. This Administration is laying a new foundation that changes the default setting of the government from closed, opaque, and secretive to transparent, open, and participatory. I would like to talk about Open Government not as an abstract idea or notion, but specifically how it is driving innovation, improving performance, and changing the way we serve the American people.

Opening our government allows us to draw upon the knowledge of all Americans, not just those inside the Beltway of Washington. The Federal Government does not have a monopoly on the best ideas, nor does it have unlimited resources. We have seen how third parties can create tremendous value when given the opportunity.

The Department of Defense's decision to release Global Positioning System (GPS) data sparked innovations that touch our daily lives, helping us reach our destinations throughout the country and helping first responders save lives.

To unlock the value of public data, we launched data.gov last May with just 47 data sets. Now there are over 169,000 data sets on every aspect of government operations, from public safety to the environment to health care. In just 10 months, third parties have already used these data sets to build applications that serve the

[1] The prepared statement of Mr. Kundra appears in the Appendix on page 54.

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American people such as FlyOnTime.us, which allows travelers to check wait times at security lines across the country and also view airline on-time performance.

As we democratize data, we must also foster an innovation ecosystem to support the creative use of these data sets. That is why OMB released guidance this month to increase the use of prizes and challenges across the public sector and will launch a challenge platform to facilitate innovation.

The concept of challenges and prices goes back to at least 1714 when the British Government offered 20,000 pounds to anyone who could develop a method to calculate a ship's longitude. The prize motivated clock maker John Harrison to develop the marine chronometer which solved the problem in a simple and efficient way.

Open Government also helps keep the government accountable. As the President said in his inaugural speech, "Those of us who manage the public's dollars will be held to account to spend wisely, reform bad habits, and do our business in the light of day, because only then can we restore the vital trust between a people and their government."

Last June, we launched the IT Dashboard, which allows the American people to monitor Information Technology (IT) investments across the Federal Government. Last July, the Department of Veterans Affairs (VA) halted 45 IT projects that were significantly behind schedule or over budget, identified in part thanks to the IT Dashboard. In terminating 12 of these projects, the VA avoided wasting $54 million of taxpayer money.

Building on the foundation of the IT Dashboard, we launched face-to-face evidence-based reviews of IT programs called TechStat Accountability Sessions. These sessions enable government officials to collaborate with one another to turn around or halt IT investments that do not produce dividends for the American people.

As we continue to open up our government, we must balance our decisions with protecting the privacy of the American people and safeguarding national security. Individual pieces of data, when released independently, may not reveal sensitive information, but when they are combined, this mosaic effect could be used to derive personal information or information that is vital to national security.

The government, unfortunately, has a history of not managing data quality from accuracy to completeness to timeliness. To improve data quality, OMB released the Open Government Directive on December 8, 2009. This directive actually requires every agency to designate a senior official accountable for data quality, objectivity, and internal controls across financial spending.

On April 7, 2010, OMB will release a strategy for sub-award reporting to help carry out the vision of the Federal Funding Accountability and Transportation Act that this Subcommittee fought for. To provide better insight into Federal spending, we will launch an improved USAspending.gov platform. We are just at the beginning of what can be accomplished. Imagine enterprising Americans and government officials working virtually alongside one another to co-create the next generation of public services. Imagine being able to create and share dashboards on demand, powered by data, to

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shed new light into government performance in the same way that we share YouTube videos with our family and friends.

Open Government is not an abstract notion. It is a new way of doing business in Washington. The Obama Administration is committed to make the Federal Government work better for the American people.

Thank you for the opportunity to testify. I look forward to your questions.

Senator CARPER. Thanks for your excellent testimony. Very well delivered, thank you. Mr. Chopra, please proceed.

TESTIMONY OF HON. ANEESH CHOPRA,[1] CHIEF TECHNOLOGY OFFICER AND ASSOCIATE DIRECTOR FOR TECHNOLOGY, OFFICE OF SCIENCE AND TECHNOLOGY POLICY, EXECUTIVE OFFICE OF THE PRESIDENT

Mr. CHOPRA. Thank you, Chairman Carper and Senator Coburn. I would like to expand upon my colleague's testimony with particular emphasis on how we are harnessing technology, data, and innovation to improve the lives of everyday Americans.

In my capacity as the Chief Technology Officer, I've had the honor and privilege of working with the American people in developing the recommendations that form the basis of our Open Government Directive per the President's instructions in that memorandum that he signed on his first full day in office.

Over the course of 2 months starting last May, we held an unprecedented consultation process that surfaced over 900 ideas, thousands of public comments, and over 300 draft versions of Open Government recommendations. The directive that we published December 8, 2009, referenced many of those recommendations and serves as an aggressive timeline for our entire Federal Government to meet specific milestones towards greater openness, including the publication of new high-value data sets on Data.gov.

Now, what does Open Government mean to the American people? When the Department of Agriculture makes nutritional information available, parents can make smarter eating choices for their families. When the Department of Education makes key information available about colleges and universities, students can make more informed choices about the quality and cost of their education. When the Department of Labor makes information on workplace risks and hazards available, employers can improve the safety of their workplaces for employees.

I would like to highlight three examples to better illustrate our approach and its current impact on the American people.

On the topic of innovation, our engine of economic growth, as we all know, is born on the ingenuity of America's small businesses. To that end, I am pleased to announce that today the Defense Advanced Research Projects Agency (DARPA), will begin providing data on awardees of the Small Business Innovation Research Program that utilize a new streamlined process for contracting and will extend this streamlined process to future Small Business Innovation Research (SBIR) solicitations. Initially, DARPA will display data on the number of awardees that are eligible for this stream-

[1] The prepared statement of Mr. Chopra appears in the Appendix on page 61.

ph44585 on D330-44585-7600 with DISTILLER

lined process, how many awardees have opted for it, and the average number of days it has taken to complete the streamlined agreement.

As an example, Mr. Chairman, typical contracting in this domain might take 5 to 6 months to complete. But we believe that this streamlined approach will take, on average, less than 60 days. That represents a 60- to 70-percent reduction in both time and cost, savings that will help small businesses throughout the country in achieving lower costs and getting them to work faster on the important projects we have in front of them.

In energy, we recently concluded a Smart Grid Forum online which focused on the impact the Nation's energy consumers will have in promoting innovation in smart grid products and services. Specifically, we invited all Americans to participate in a discussion on how best to deploy the smart grid, with particularly engaging discussions occurring on data access and consumer ownership.

The thoughtful comments that we received will help our Nation accelerate the development of innovations to address some of the most challenging smart grid goals that we have, from deployment of smart grid solutions to the development of standards needed for the exchange of data, to ensuring cybersecurity in the smart grid. Put simply, Mr. Chairman, I want to know my energy usage on a real-time basis in my home, and this process helped to bring that forward.

In education, on February 15, Education Secretary Arne Duncan announced the launch of the Open Innovation Web Portal at innovation.ed.gov, bringing together key stakeholders in education, including those who previously had no voice or way to elevate their ideas, in a collaborative manner so that those ideas can turn into reality. The Open Innovation Web Portal is a trial initiative that has engaged many stakeholders in education—from teachers to school administrators, parents and foundations, nonprofits and for-profit organizations alike—all to develop the innovations that our country desperately needs to achieve our President's goal to be the Nation with the highest percentage of college-educated citizens. The Department of Education has posted an initial set of challenges to engage the community around the Department's key priorities, including human capital and data.

Again, Mr. Chairman, to make it simple, if a teacher in Delaware has a terrific idea to help kids understand physics better, this portal will allow that individual to find development capital from the philanthropic community so that the idea can be tested, validated, and scaled.

Last, Mr. Chairman, I would like to end my remarks on how our commitment to an open and transparent government is surfacing and executing on the very best ideas from everyday Americans.

Last August, President Obama challenged the 19,000 front-line workers within the Veterans Benefits Administration to reduce the backlog of disability claims and streamline processing. Todd Bonn, a dedicated veterans service representative from the offices in Togus, Maine, submitted an idea through the VA's Innovation Initiative Website to improve certain performance metrics to get the agency to focus more on results and less on process. He was one of 7,000 participants submitting and voting on over 3,000 ideas

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from each of the 57 regional offices within the Veterans Benefits Administration (VBA). His colleagues in Maine prepared a business plan that was pitched to a panel of national leaders, including Craig Newmark from Craigslist. Todd's idea was one of 10 selected for implementation, and what is remarkable about this is that his idea will take very little time and effort to reprogram the performance database. VA will implement this initiative by the summer at no incremental cost to taxpayers. Todd's story is yet another example of how this Administration is leveraging the principles of Open Government to meet our Nation's challenges.

Thank you, Mr. Chairman, for your time, and, of course, we look forward to answering your questions.

Senator CARPER. You bet. Thank you again for an exciting and, I think, uplifting bit of testimony. Thanks so much.

We have started the vote. I am going to try, if possible, to allow Mr. Ferriero to finish his testimony, but if we run short, we will have to run out and come back in a little bit. But I think we have two votes, and I think we will be able to just bear down and stay here. Thank you.

Mr. Ferriero, go ahead.

TESTIMONY OF HON. DAVID S. FERRIERO,[1] ARCHIVIST OF THE UNITED STATES, NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

Mr. FERRIERO. Thank you for inviting me to participate in this hearing on making government more transparent and accountable. The last time I appeared before you was my confirmation hearing in September, so it is truly an honor to return. I would also like to thank you for the opportunity to testify alongside two visionary leaders whose work I deeply admire, Vivek Kundra and Aneesh Chopra.

As the Subcommittee knows, on December 8, 2009, President Obama issued the Open Government Directive with the aim of making our government more accessible and accountable by improving transparency, public participation, and collaboration in and among the Federal agencies. This directive was enthusiastically received by the National Archives for the core of our mission is serving democracy by providing access to the essential documentation of the rights of American citizens and the actions of their government.

NARA's own Open Government plan describes how we are providing guidance and services to assist Federal agencies with carrying out their plans. Our Records Management Program provides guidance for agencies on the records management issues highlighted in the Open Government Directive. Our National Declassification Center is taking a leadership role in ensuring that over 400 million pages of classified records in NARA holdings are declassified and made available to the public by the end of 2013.

Our Office of Government Information Services has provided Questions and Answers on the Open Government Directive which outlines transparency issues that are relevant to the Freedom of Information Act.

[1] The prepared statement of Mr. Ferriero appears in the Appendix on page 67.

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Today, however, I would like to focus my testimony on what I feel is the backbone of Open Government records management. To put it simply, the government cannot be accountable if it does not preserve and cannot find its records. Although I have only been in the job for 5 months, I have seen and heard enough to be concerned that across the government we are falling short in our records management responsibilities, particularly in regard to the exponential growth of electronic records. The long-term success of the Open Government Initiative—and the future of the National Archives—hinges on the ability of each Federal agency to effectively manage their records.

At the National Archives and Records Administration (NARA), our records management approach is grounded in these three principles: Agencies must economically and effectively create and manage records necessary to meet business needs; records must be kept long enough to protect rights and assure accountability; and records of archival value must be preserved and made available for future generations.

NARA's National Records Management Program is made up of nearly 100 full-time staff members. They have the enormous job of working with Federal records officers in over 250 different Federal agencies. They develop policy, guidance, and training. They conduct studies so others can learn best practices and avoid costly mistakes. They also work with agencies to conduct self-assessments of records management programs. This is part of the Archivist's statutory authority to conduct inspections and report findings to the appropriate oversight committees and the Office of Management and Budget.

Most notably, they work with agencies to schedule and appraise records. This is how we ensure proper documentation of our government's actions. The statutory authority to grant Federal agencies disposition authority to manage their records is the most important responsibility I exercise as Archivist of the United States, because it determines what records will come to the National Archives for permanent preservation and access.

Given that records management is the backbone of Open Government, the central question is: What is needed to ensure that Open Government values are realized and that NARA's mission is accomplished?

My answer has two parts. First, heads of agencies and senior leaders across the Federal Government need to understand that the records and information they and their organizations are creating are national assets that must be effectively managed and secured so that the public can be assured of the authenticity of the record. Heads of agencies and senior leaders need to be held accountable for managing these assets. This is required by law in the Federal Records Act, but moreover, it is good government and a necessary condition of Open Government.

In the next 30 days, NARA plans to send to Congress and OMB a report based on agency self-assessments carried out in September 2009. Our preliminary analysis of the data suggest that 79 percent of reporting agencies have moderate to high levels of risk associated with their records management programs, particularly with

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electronic records. These levels of risk in agencies should be a great concern to all who believe in open and accountable government.

Second, senior agency leaders must work with NARA, OMB, and GSA, as well as with groups like the CIO Council, the Federal Records Council, and the Federal Web Managers Council, to develop the IT tools necessary to manage electronic records.

The technical challenges associated with developing the IT tools for records management are not insignificant; however, these tools do not exist today because, in my view, the Federal Government has not deemed recordkeeping a high priority in IT systems. The Federal Government spends over $70 billion annually on information technology that, to a large degree, creates or receives Federal records in some form. Developing cost-effective electronic records management tools that work and then integrating them into agency IT systems needs to be a high priority.

In conclusion, as Archivist of the United States and the leader of over 3,000 dedicated National Archives employees, I would like you to know that we are committed to doing all we can to carry out the National Archives mission to provide access to the essential documentation of the rights of American citizens and the actions of their government and to build an Open Government that values transparency, citizen participation, and collaboration.

Thank you again for the opportunity to appear before you today, and I look forward to answering your questions.

Senator CARPER. Mr. Ferriero, thank you very much, and my thanks really to each of you for setting the stage for what I think is going to be a very interesting and I think very productive and helpful hearing.

We start off, first of all, it looks like we have two votes back to back. I have 7 minutes to get there. I am going to recess for probably about the next 20 minutes, and we will be back. Dr. Coburn may come back before I do.

We will be back shortly, and we look forward to asking questions of our first panel. But thank you for getting us off on the right foot.

With that, the Subcommittee stands in recess for roughly the next 20 minutes. Thank you.

[Recess.]

Senator CARPER. All right. You have all been having enough fun. Back to the salt mines. Thanks for hanging in here, folks. Good to be back with you. We had two votes, and if we are lucky, we will be able to get this hearing in without any further interruptions. We could be in session all night, but fortunately you will all be spared that.

I have a couple of questions for folks on this first panel, and one of the things to do is I love to go into schools. I think we have over 200 public schools in Delaware. I also think I have been at almost every one of them over the years. And whenever I visit a school, kids ask really great questions. Some are really funny questions, too. For example, are you married to a movie star? Do you live in a mansion? Do you have a limousine? And on and on and on. Sometimes they ask me what do I like about my job. One time a kid not long ago asked me this question: "What do you do?" [Laughter.]

I thought that was a pretty good question. And I said, well—he was in elementary school. I said, "Do you have rules in your

ph44585 on D330-44585-7600 with DISTILLER

school?" "Yes." "Do you have rules on your bus?" "Yes." "Do you have rules at home?" There was kind of a mixed message on that one. But I said, "My role is to work with other Senators, Representatives, and the President and Vice President to help make the rules for our country." And I said, "Just like you have rules in your school and on your bus and at home, we have rules for our country. We call them laws." And he said, "Oh, I get that. I get that."

What do you do? How would you explain your job? Because a lot of what we are going to cover here today and what we have covered in hearings leading up to this day can be another world for some people. The topics may not make that much sense, and it is hard to relate to what we are actually talking about. But when people say, "What do you do?" I want you to explain it in simple terms. And then I am going to ask some questions to follow up and see if we cannot bring what you are talking about here today to terms that it will be real in the lives of most people in our country.

Mr. Kundra, do you want to go first? What do you do?

Mr. KUNDRA. Sure. So, simply put, what I would say to a school kid is essentially when you apply for college and you have to fill out that student aid application, part of my role is make sure that the Department of Education is using technology to make your life easier; or when your parents have to go online and interact with their government, it is to make sure that they can easily interact, whether it is filing taxes or filing for a passport. It is to use technology ultimately to serve the American people.

Senator CARPER. Good. Thank you. Mr. Chopra.

Mr. CHOPRA. Oh, man, that is a hard one to follow.

Senator CARPER. I am sure you are up to it.

Mr. CHOPRA. Mr. Chairman, I would describe my role as producing three P's. The first of those P's is to ensure that we have the right policies that harness technology, data, and innovation for national priorities. The second is to make sure that we make thoughtful investments in platforms, that is, a modest investment in the public sector spurs a much larger investment in the nonprofit sector to expand and leverage the goal. And then the third is to support public-private partnerships, and that often means no new laws and no new funding, but a way to bring, as the President described, an "all hands on deck" approach to advancing a certain priority.

I am happy to engage on any examples in those domains, but that is essentially what I focus on.

Senator CARPER. Good. Thank you. Mr. Ferriero.

Mr. FERRIERO. And I am the records guy. My job is to make sure that we are collecting, protecting, and encouraging the use of the records of the government.

Senator CARPER. All right. The folks that all of you serve, we think they are interested in Open Government. A lot of them say that they are. How is Open Government going to help them from your perspectives, each of you?

Mr. KUNDRA. Well, so in a big way, if you think about the innovations we have seen across the board, there has been this Old World view that the public sector has a monopoly on innovation and creating solutions. But if you think about just Apple, for example, and how Apple essentially created the App Store, and what

ph44585 on D330-44585-7600 with DISTILLER

happened is Apple did not go out there and build 150,000 applications. What it did is it provided a platform that allowed for innovation to happen on top of that. Or if you think about YouTube, YouTube did not go out there and create every video that you see there. It is the American people and people around the world that created that content that makes it so valuable.

In the same way, when you think about government, it is a huge shift when you look at it in the context of Open Government where we are shifting power actually to the American people and not concentrating power in the hands of government employees. At the same time, by moving towards this architecture where we are building platforms allows third parties to start innovating, such as with spending data, and as Senator Coburn said, and providing the ability to see a $60 contract and recognizing that only $6 out of that $60 contract is actually going towards doing that work. By shining a light on those types of issues, we can rethink public policy; we can rethink how we are investing in money. But, more importantly, it is making sure that the American people now have as much power in terms of knowing how their government works and not just sending tax dollars over to the government and hoping that they are spent well.

Senator CARPER. OK. Thanks. Others, please.

Mr. CHOPRA. It is difficult to follow my colleagues in describing this, Mr. Chairman. I would say three things.

First, the average American would want greater confidence that their government is working for them, so a great deal of transparency, including spending but even beyond, on the actual performance and outcomes more broadly is how we view the transparency component.

The second component is what I would call news you can use. My wife and I have two little girls, a 3-year-old and a 1-year-old, and we recently installed car safety seats. I am not the strongest guy in the world: You stick your knee in, you plug it in, and it is all really difficult to install. The National Highway Traffic and Safety Administration has a database on the ease of installation of car seats of every manufacturer in the country.

Senator CARPER. No kidding.

Mr. CHOPRA. Yes, we just published that data for the first time in machine-readable format in January. So now every product has information on their ease of installation of that car seat online. News you can use. We have made it available so others can use it.

And then the third one is the notion that somewhere someone has an idea on how our collective well-being can be improved. And the notion that your idea can be heard by your government and, frankly, acted upon it so that it can actually become real, Open Government allows us to shrink the concept of time from when you have an idea to when it can actually take hold and people can see those concepts being put into use to advance our collective well-being.

Senator CARPER. OK. Thank you. Mr. Ferriero.

Mr. FERRIERO. Let me answer that from two different perspectives.

One, this is very much a bottom-up initiative. Each of the agencies has been encouraged to create an Open Government plan. And

ph44585 on D330-44585-7600 with DISTILLER

for my own agency, seeing how this process has unleashed talent in the organization in terms of thinking creatively about how we do our business, is for me one of the most important parts of this whole process.

From the second perspective, I see a huge potential here to use the Open Government Initiative as a way of connecting our records management folks with our IT folks, because as I said, we cannot have Open Government if we do not have good records.

Senator CARPER. Thank you.

I want to go back to a point that Senator Coburn and I mentioned earlier. About 3 or 4 years ago, several of us teamed up, under his leadership, with former Senator Obama, I think John McCain, among others, in order to pass something we called the Federal Funding Accountability and Transparency Act, and the original intent of that legislation was to shed a little bit of sunlight on the approximately $1 trillion that Federal agencies wrote every year in contracts and grants and in loans. One provision of the bill required OMB to set up a Website that would show where all the money was going.

Unfortunately, the Government Accountability Office recently showed us that the information on the Website was inadequate in many instances and that agencies did not take the time to make sure that information was up to date. I have also heard that this type of situation may be happening on other transparency initiatives such as the Website used to track the stimulus spending and the Websites used to track overbudget IT investments.

Let me just ask Mr. Kundra, if I could, what is the Administration doing to make sure that agencies provide accurate and up-to-date information on previous transparency initiatives as well as ones that we may be undertaking in the future?

Mr. KUNDRA. Senator, I share your frustration and Senator Coburn's frustration in terms of how the government is moving forward and the quality of the data that is in a lot of these systems. But if I could just step back for a second, one of the challenges across the board as we look at the Federal Government is the number of systems that are out there. When this Administration came into office, there was a database that was set up, essentially USAspending 1.0. From a platform perspective, from a technology perspective, it was not scaled to be able to handle those trillion-dollars-plus transactions across the board.

Second, if we looked at accountability at the agency level, one of the challenges was it was a culture of faceless accountability where everybody was responsible——

Senator CARPER. A culture of what?

Mr. KUNDRA. Faceless accountability, so there was not a single individual accountable for the data. And then on top of that, what compounded the issue is that you had the grants community and you have the contracting community, and the communities themselves had not set the appropriate standards across the board so you could identify a grant from one agency and compare it to the grant from another agency.

Part of what we have tried to do in the Obama Administration is on his first full day in office, the President issued a memorandum on Open Government. Immediately following that memo-

ph44585 on D330-44585-7600 with DISTILLER

randum, we began scaling from a technology perspective the USAspending platform. The other area we invested in heavily as we looked at a nationwide system was with the Recovery Act. We wanted to make sure that we were not wasting taxpayer dollars by building two parallel systems.

So there is a nationwide effort to collect data at a sub-award level and across there, and we wanted to make sure, as we were making those investments, that we could leverage those investments as part of the USAspending platform. And as part of the Open Government Directive, what we have done is we have made sure that there is a senior accountable official at agencies who is charged to make sure that the data quality is accurate, it is comprehensive, and it is timely. At the same time, on April 7, OMB is going to be releasing very specific guidance to agencies on sub-award data collection. And we are also going to be launching shortly a new USAspending.gov platform.

Senator CARPER. Say that last sentence again.

Mr. KUNDRA. We will be shortly launching a new version of USAspending.gov.

Senator CARPER. Do you have any idea when?

Mr. KUNDRA. Shortly.

Senator CARPER. Around here that can be quite a while.

Mr. KUNDRA. In a matter of a month or so.

Senator CARPER. OK. Good. Well, that is music to our ears.

I am going to yield to Dr. Coburn, but before I do, let me just telegraph my next pitch, and I am going to come back and ask each of you to talk about some areas that the Administration and the Congress ought to be looking into to increase transparency and to try to reduce wasteful spending. But for now, Dr. Coburn?

OPENING STATEMENT OF SENATOR COBURN

Senator COBURN. Well, first of all, let me say to all three of you I have extreme confidence that you are the right guys for the right job. Had you put the same effort into USAspending.gov as you put into everything else, we would be a lot further down the road right now, wouldn't we?

Mr. KUNDRA. Senator, I think we have put tremendous effort on USAspending.gov——

Senator COBURN. I did not say you had not put effort. First of all, there is only one of these that is a law, and that is the Federal Funding Accountability and Transparency Act. It is the law. In fact, we are out of compliance on the law. There has not been a report from you all, which is required under the law. As a matter of fact, this will be the second year that we do not have a report. I hope we get that this time. But it is the law.

The others are mandates by the President, and I applaud them, but they have held us up from achieving what we were trying to achieve. I have no complaints with your capability. But the fact is that right now USAspending.gov is not accurate, and it lacks the biggest component that is necessary for Americans to truly know what is going on with spending, and that is sub-awards and subcontracts.

The whole idea behind sub-awards and subcontracts was for everyday citizens could actually see what is going on. So when they

ph44585 on D330-44585-7600 with DISTILLER

saw waste, they could report it. They could be a whistleblower. Because we do not have sub-award and we do not have sub-grantee, they do not have that ability.

So we do not really have transparency with the Transparency and Accountability Act. I am not here to beat you up. I think you guys have worked hard. I think you have done a wonderful job with everything that you have worked at. But I am still wanting to know when the law is going to be followed.

Mr. KUNDRA. Senator, that part of our strategy hinges on leveraging the investments that have actually already been made with the Recovery Board. And the April 7 guidance will speak specifically to how we are going to be addressing the sub-award issue, whether it is on the grant side or on the contracting side.

Because of the recovery investments, we are going to be further along as we have addressed one of the most complicated issues, which is how do you build a nationwide system that is going to be able to collect sub-award data, and how do you do it in a short time span. And we are going to benefit as we look forward in terms of leveraging that infrastructure, given the momentum that was behind driving transparency related to the Recovery Act.

Senator COBURN. I do not doubt that, but what you just told me is you choose to do this rather than follow the law. When is it going to be there? What is the answer to that question? When is it going to be accurate? When is the sub-award and sub-grantee information going to be on there? It is a real simple question. And if "I do not know" is the answer, "I do not know" is the answer. We have a law, and the fact is that we choose not to follow it. Just like improper payments, we have multiple agencies that will not comply with the law because they do not think they have to.

Again, I will compliment each of you. I think you are rightly suited for your job. But I tell you what the people of Delaware and the people of Oklahoma want. They think if it is a law, it ought to get done and it ought to get followed. I have been around this place long enough to know that if I do not pin people down, it never happens. If April 7 is not going to happen, then my hope is the Chairman will have another hearing so we can talk about that.

We are 3½ years into this, and you may have been dealt a mess. I do not know. That is the usual thing that we hear from one Administration—it does not matter if it is Republican to Democrat or Democrat to Republican. It was not done right. But we cannot manage America without that information. You may be absolutely right that you have created the infrastructure and the base so that we actually will get there in the long run better. But part of not complying with the law is explaining to us why you are not complying with the law.

I want to go back—first of all, car seats?

Mr. CHOPRA. Yes, sir.

Senator COBURN. I followed all the rules on them and pinched my finger every time. [Laughter.]

Senator COBURN. I have grandkids, and it is tough.

Mr. CHOPRA. It is tough.

Senator COBURN. But it is designed to be tough so that the kid does not go anywhere.

Mr. CHOPRA. You are right.

ph44585 on D330-44585-7600 with DISTILLER

Senator COBURN. Let me ask you, Mr. Chopra. You said three P's: Policy, platform, and public-private partnerships.

Mr. CHOPRA. Yes, sir.

Senator COBURN. Is that being applied to the Transparency and Accountability Act?

Mr. CHOPRA. Well, I serve in the Office of Science and Technology Policy. I do not know to what extent we have been actively involved in the OMB implementation of the Act, but we are using these principles across a wide range of national priorities. I am happy to give you an example of public-private partnerships, whatever would be appropriate for you.

The one that we most recently announced about a month and a half ago was in health care, and it focused on an initiative we called Text4Baby. Given your background, Senator, to address issues surrounding the number of women who lack access to the information on appropriate prenatal care to address both pre-term birth rates that are too high and infant mortality rates that in this country are too high. We understood that many of the young women in this country have cell phones that could be used as a vehicle to convey this information. We did not have any government money to spur this kind of collaboration, but what we did have was an opportunity to bring an "all hands on deck" approach. So the cell carriers, through their industry trade association, the Consolidated Treaties and International Agreements (CTIA), waived text message fees for 2 years. About 115 partners—nonprofit, for-profit, a whole mix—built content and have distributed content three times a week to women in need. So 25,000 women are getting this service. We did not pay for, but it is an example——

Senator COBURN. OK. So that is great, but my question was about the Accountability and Transparency Act.

Mr. Kundra.

Mr. KUNDRA. In terms of partnering with the public, one of the things we have done as we have looked at these platforms with the Non-Governmental Organization (NGO) community. For example, the Sunlight Foundation launched an independent competition and actually created the applications. In my testimony, as I talked about FlyOnTime.us, it was a product of a competition that the Sunlight Foundation did.

We have also seen private citizens actually build an application. For example, they took their recall data, and they built an application that allows you to see on your phone when a product has been recalled so you can prevent yourself from buying it.

Senator COBURN. OK. We had two pilot sub-award programs that GAO said they were not successful. Are you planning more pilots or what is the plan with USAspending.gov?

Mr. KUNDRA. So the plan as we move forward is to actually leverage the infrastructure that has been deployed, and also to go deep in terms of the sub-award data, which is to go to the $25,000 limit that has been set to make sure that we can get as much of the data out there and roll it up and characterize it as possible and make sure that we can also show trends as we look at the USAspending.gov.

Senator COBURN. What is the problem with the sub-award data?

ph44585 on D330-44585-7600 with DISTILLER

Mr. KUNDRA. The sub-award data is a pyramid problem. When you go down one level, you may deal with 100,000 recipients. When you go down the second or the third level, you may start dealing with a million, 2 million, 3 million——

Senator COBURN. Give me an example of a program where we have sub-awards that go to 100,000 people.

Mr. KUNDRA. So let us say you give out a grant at a State level, whether it is at the Department of Transportation or whether it is at Health and Human Services, and at a State level where you begin to allocate that funding across the board and then that is the government recipient.

Now as you get down to the private sector recipient and companies that may start disbursing those funds across the board, you end up getting thousands and thousands of——

Senator COBURN. Yes, but you are not at 100,000 on anything.

Mr. KUNDRA. Well, I am talking about across——

Senator COBURN. I know, but let us just take a Department of Education grant. There are 50 States, plus Territories, and then they may give 100 per State. So you have 5,000. That is a small data set. What is OMB's directive to all the agencies about sub-awards? Are they told that you have to do this or not?

Mr. KUNDRA. So we actually issued guidance on sub-award data to try to collect that information. The challenge for us, as I mentioned before, was also on the technology front, which is we did not have a technology platform——

Senator COBURN. OK. So if you have the technology, then the real problem is not going to be technology. The problem is going to be compliance.

Mr. KUNDRA. Yes.

Senator COBURN. So what is OMB going to do about compliance? Is there any consequence to not following the law as far as the Accountability and Transparency Act?

Mr. KUNDRA. So what we have already done is we have made sure that across the board there is a senior accountable official assigned at each of the agencies who is going to be accountable for the reporting of that data. And that is what I meant when I said there is a faceless accountability in terms of everybody was responsible for data quality——

Senator COBURN. No. I agree. Well, Mr. Chairman, thanks for allowing me to go a little bit over on my questioning time. I will submit a few other questions to you.

Anything either of the other of you want to add before I finish?

Mr. CHOPRA. Well, if I may—I would make two comments.

One, this Congress did authorize about $37.5 million in this year for what we call the Partnership for Program Integrity, basically a fund that would allow us to get after the issue of federally funded government services that are State-administered, locally delivered, and anything in between. So my presumption is that a great deal of the architecture and the way we can get better data will come out of the grants process—to get that money out and to find ways to be more efficient. Coming from Virginia's State government, Senator, I can tell you our own accounting systems at the State level were very difficult, so Federal funds would come in, the State systems are often 20 or 30 years old, and their financials would

ph44585 on D330-44585-7600 with DISTILLER

only have a few items of information associated with the actual dollar figure. Then a separate system altogether would administer where the money ultimately went and the ability to cross-walk the——

Senator COBURN. But there is an easy way to fix that. With every grant acceptance, a State or an individual signs that they will comply, and here is what compliance means. It is easy. Then the onus is on them to comply: If you take this money, here is what you have to do to comply.

Let me just share with you a minute until Senator Carper comes back. Almost every week, I have a whistleblower that contacts my office. Not having sub-grant and sub-award data keeps us from eliminating waste in this country. There is $350 billion a year in waste, fraud, abuse, and duplication in the Federal Government right now that I can document. How do you get it out? The only way to resolve these problems is to have the data there so that when you get a whistleblower and you have the data, you do not have to present a significant case because it is there already.

If we can ever get the sub-award and sub-contract data—and, remember, 98 percent of everybody in this country is doing the right thing, but the ones that are costing us are the ones like on Medicare fraud and some of these other things, they are costing us a ton. When we do not have that data, we cannot leverage the information. When we go to try to get the information, guess what? Even on the Permanent Subcommittee on Investigations, which has subpoena power, unless we subpoena it, most of the time we cannot get it, information that should already be online.

So I want you to understand how important this is as a tool for us, and looking at what our financial situation is, what you guys are doing is more important than anything that I do up here every day, what you all are doing because it is going to pay far greater rewards and far greater dividends.

Thank you.

Senator CARPER. Senator Coburn and I are interested, as he just reminded us, in trying to ensure that folks are doing what they are supposed to be doing. And it is hard for us to police every person in government or folks that are not in government to ensure they are doing what they need to be doing.

One of the things that I like to do—and I think he does as well—is to try to find ways to incentivize people or agencies, people within agencies, to do what they ought to be doing, to do the right thing. And one of the things we have focused on over the years is trying to ensure that when Federal agencies have surplus properties that they do not need, that they sell them and get to keep some of the money to help fund their programs.

We are interested in making sure that not only do we have agencies stop making improper payments, but actually to identify where the money has gone, particularly in——

Senator COBURN. Would the Senator yield? Just for the record, we spend $8 billion on properties we do not want and that are empty that the Federal Government owns. Every year. There is $8 billion. That will pay for the extender package that is coming on to the floor. But yet we are not doing it because we do not have all the data.

ph44585 on D330-44585-7600 with DISTILLER

Senator CARPER. Yes. But one of the things we are interested in doing is trying to go out and collect all the money that is fraudulantly taken out of Medicare by fraudsters. If we allow contract recovery folks to go out and recover the money and let them keep a portion of it, then we can incentivize them to do a much better job. If we can do the same thing with whistleblowers, let them keep some of the money that is actually recovered. But the idea is to find ways to incentivize—use financial incentives to harness market forces and get people to help us do what needs to be done.

I like to say—and Dr. Coburn has heard me say this once or twice—that the role of government is to steer the boat, not row the boat, and one of the things that always fascinates me is how do we harness market forces to drive good public policy outcomes.

What I want to do is ask you all to take a minute—and I will start with Mr. Ferriero and then we will go to the other panelists. Are you trying to find ways to use prizes or rewards for people to be able to develop a more effective way to use agency information? What kind of results are you seeing so far, if you will? And is this something that we ought to be thinking about expanding in the future? What is your office doing to get the word out on these kinds of competitions? Are there ways that we can help put a spotlight on these competitions so that more people will want to participate?

Can you all just take a moment and take a shot at that, please? Thanks. And, Mr. Ferriero, if you want to respond, you are welcome to.

Mr. FERRIERO. Sure. That is part of the Open Government plan that is being created now by the Archives, and there is the intention of creating within our agency opportunities for competition for coming up with new ideas about how we go about doing our business. And this is something that is very much why I am so excited about the plan, is that it is staff driven, it is from the bottom up. And we do not have concrete examples of that yet, but it is a definite part of our Open Government plan.

Senator CARPER. OK. Thank you. Mr. Chopra.

Mr. CHOPRA. Well, Mr. Chairman, that is absolutely a key priority for us, and we think that is a terrific tool when thoughtfully designed—you cannot just have prizes and competition for anything—to achieve pretty dramatic outcomes.

Senator CARPER. How do we do the design there to make sure that what we are designing actually is going to be appealing to folks whose cooperation we need?

Mr. CHOPRA. Well, we have built a community of practice that was launched in conjunction with the guidance that was released on March 8 so that we could incorporate best practices in that model. There are nonprofit and for-profit stakeholders who have been experienced in prize design, the most famous being the X Prize that is contributing to our community of practice. But even beyond, companies like McKinsey, the Joyce Foundation, and others have been contributing and publishing on best practices and how to achieve the proper design.

But they run the gamut, so you might have a design to try to develop breakthrough new ideas that you had not thought of before. DARPA's most recent $40,000 network design challenge really allowed us, with a very small amount of money, to think about how

ph44585 on D330-44585-7600 with DISTILLER

do these new emerging social networking technologies help to advance big challenges. And they had a simple one: Find 10 balloons that were floated all over the country that all in one morning would be up and then brought down by the evening. The entire land mass of the United States was in play, and through social networking, the winning team built an incentive system. Your point about financial incentives? They tiered the payment structure to get thousands of people to volunteer to look out and invite their friends and neighbors to say, "Hey, where are the balloons?" In 9 hours, they found all 10 balloons across the entire land mass.

Senator CARPER. Were they mostly found in Delaware, do you think? [Laughter.]

Mr. CHOPRA. Actually, I got a map in my head, but I cannot think of where it was.

Mr. FERRIERO. But guess where the team was from?

Mr. CHOPRA. MIT. A lot of love.

But I say that because there are prizes that spur new thinking, as was this prize. There were prizes that achieved outcomes goals where government investment may not be the right goal. So we want to help young people learn about healthier eating habits. It is one of the First Lady's top priorities in her Let's Move! campaign. We do not have a lot of government money. Whether we should or we should not—your point about row versus steer the boat is a great one. But we found $40,000 in modest prize money to spur all this creativity in the gaming community and the application development community, to take the nutritional information from the Department of Agriculture and find a way to help parents make better choices in food preparation for their kids and to educate kids on the food choices they have.

There are communities popping up all over the country saying, "Hey, we will sign up and help. We want to be a part of this." For a very modest investment, you can spur a great deal of leverage in behavior.

I think the point you are making is a good one. How do we get this right? The guidance memo that OMB issued acknowledged that certain Federal agencies have certain explicit authorities. The Department of Defense (DOD), the National Aeronautics and Space Administration, (NASA), and the Department of Energy (DOE) are explicitly authorized to run certain prize competitions. Others do not have some the same authorities, but have some other vehicles that might allow prize competitions. So we describe this marble cake framework for how one actually conducts prizes and competitions, and we are looking at ways to hopefully make that a little bit easier. And with your partnership and collaboration, Mr. Chairman, we would love to engage further.

Senator CARPER. Great. Thanks. Mr. Kundra, the last word.

Mr. KUNDRA. And I think when you think of prizes, they are not just limited to monetary prizes. So what we have seen is, for example, at OMB we launched the President's Security and Freedom Ensured Act (SAVE) Award, which is essentially to find game-changing ideas to help save money. And there was a woman at Veterans Affairs who came up with the idea of saying, well, why is it that every time we discharge a veteran from a hospital, we throw away the medicine that may be half empty, and recognizing that

ph44585 on D330-44585-7600 with DISTILLER

a lot of the talent and energies in the front lines, obviously, of the public sector and harnessing those ideas and baking them into how we run the government.

Second is when we launched the IT Dashboard—and we still have issues, frankly, around data quality. But what is happening is we are getting the American people who are sending us e-mails or are coming in and saying, "Well, why is it that you are spending all this money on this particular project? Maybe there is a better way, a third way." So, really, helping improve actually performance.

And the third area I would say which is looking at how we fundamentally change the way we deliver services to the American people such as the application I was talking about, where someone could create an application using data from the Department of Transportation or, as Aneesh mentioned, car safety data or looking at data around consumer protection or the Food and Drug Administration (FDA) data around foods that may have been recalled.

We are seeing people actually creating all these mobile applications that the government would have spent frankly years and millions of dollars building. And so we are finding mechanisms in terms of using challenges and prizes also to save taxpayer dollars as well as find innovative approaches and improve performance.

Senator CARPER. All right. It has been a great panel and a tough act to follow, but we have some folks sitting behind you that are going to give it a shot. We very much appreciate your being here, preparing for this and responding to our questions. We will have some more questions that we will want to submit and ask you to respond to those as promptly as you can.

Mr. CHOPRA. Thank you, Mr. Chairman.

Senator CARPER. Maybe at the end of the day we will not only provide better transparency but a lot better service for less money, and that is a pretty good goal for all of us. Thank you very much. Good to see you.

I would ask the second panel to come to the desk at this time, if you would.

Good afternoon. It is great to see you all. Thank you for joining us. There is Steve O'Keeffe going around here with crutches, and what is that device on your left foot there? What is that? I wore one of those a couple years ago when I broke my foot in a race.

Mr. O'KEEFFE. I guess I can remove it soon.

Senator CARPER. Eventually I got to stop wearing it. Hopefully you will, too.

Mr. O'KEEFFE. Thanks.

Senator CARPER. Thanks for joining us. Coming off the disabled list (DL), as we like to say in baseball, off the disabled list.

I am going to give a brief introduction to our witnesses and then ask each of you to proceed.

Our first witness is Ellen Miller, co-founder and Executive Director of the Sunlight Foundation, a nonpartisan and nonprofit organization dedicated to the openness and transparency of government. Ms. Miller is also the founder of the Center for Responsive Politics and Public Campaign where she focused her attention on the influence that money has in politics. She was named one of the 15 people the next President should listen to—I do not think I made that

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list, but I am glad that you did—by *Wired* Magazine. It is quite an honor, and we thank you for joining us today.

Our next witness is Rob Pinkerton, Director of Public Sector Solutions for Adobe Systems. Mr. Pinkerton has an extensive background in government and technology, serving in both the public and the private sector. Notably, he has been an emergency medical response technician in Virginia. Whereabouts?

Mr. PINKERTON. Henrico County, Richmond.

Senator CARPER. All right. A law clerk in the city of Baltimore and a legislative assistant in the U.S. Senate. Who did you work with?

Mr. PINKERTON. Strom Thurmond.

Senator CARPER. Strom Thurmond. Well, we thank you for your service and thank you for his, too.

Our next witness is Steve O'Keeffe, founder of MeriTalk, and I am told that MeriTalk is an online community of technology experts that focus on leveraging technology to improve the way that agencies operate. I understand that you have tasked this community of experts to grade the Administration leading up to our hearing and that you will report back the results today. We thank you for your help.

Our last witness also has had some experience before our Subcommittee. Mr. Blanton is the Director of the National Security Archive at George Washington University. Mr. Blanton has been a leading national advocate in reforming the way that agencies classify and protect information. I understand that you have conducted over more than 40,000 Freedom of Information Act requests. That is a lot. Mr. Blanton, we thank you and all of our other panelists for being here.

I am going to recognize Ellen Miller to begin her opening statement. Just try to keep your remarks within 5 minutes. If you get too far beyond that, I will have to reel you in. But we are glad you are here. We look forward to your testimony. Everything that is in your printed testimony will be made a part of the record, and feel free to summarize as you see fit. Ms. Miller, thank you.

TESTIMONY OF ELLEN MILLER,[1] CO-FOUNDER AND EXECUTIVE DIRECTOR, SUNLIGHT FOUNDATION

Ms. MILLER. Thank you, Mr. Chairman. Thank you for the invitation to be with you today.

On a personal note, I want to just mention that 30 years ago I was a staffer to this Committee, so I have a particular affection for the Committee for which you do your fine work.

Senator CARPER. No kidding. Didn't they have child labor laws then? [Laughter.]

Ms. MILLER. They did. The Chairman was Senator Ribicoff at the time, and Ranking was Senator Percy. So it was some time ago.

Senator CARPER. OK.

Ms. MILLER. I am delighted to be here.

My name is Ellen Miller, and I am the co-founder and Executive Director of the Sunlight Foundation. Sunlight is a 4-year-old nonpartisan nonprofit dedicated to using the power of the Internet to

[1] The prepared statement of Ms. Miller appears in the Appendix on page 72.

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catalyze greater government accessibility and openness and transparency. We take our inspiration from Justice Brandeis' famous adage, "Sunlight is said to be the best of disinfectants." We are committed to improving access to government information by——

Senator CARPER. Ms. Miller.

Ms. MILLER. Yes?

Senator CARPER. Please forgive me for interrupting. I have just been advised by my staff that on the floor of the Senate there has been a move to stop all the proceedings and hearings that are going on in the Senate, and we are compelled to stop at this point in time. I regret it, but there are rules here that unless there is a unanimous consent to proceed for a hearing—as you may recall, in the Senate we can only go for so long, and then we have to stop our hearings. And the whistle has blown, unfortunately, and we and all the other committees and subcommittees that are holding hearings have to now at this time cease. I feel very badly about that. It is not my doing. But we are not going to ask you to stay around, but I am going to ask you at some point that it is convenient for you and for us, we are going to ask you to come back and have an opportunity to hear from each of you.

So with that having been said, maybe after the start of recess, we will be able to hold these hearings in a way that we would like to. But I am going to have to adjourn at this point in time.

Again, my apologies, Ms. Miller. Thank you, Mr. Pinkerton, thank you, Mr. O'Keeffe and Mr. Blanton.[1]

Mr. BLANTON. Thank you, Senator.

Senator CARPER. I have had a chance to look through your testimonies. You have a lot to offer, and we want to be able to have not just those of us who have read your testimony benefit from it but a lot of people who have not.

So that having been said, again, our thanks to you and I apologize to you for any inconvenience that this may have caused for you, and I look forward to seeing you again soon. Thank you very much.

With that, the hearing is adjourned.

[Whereupon, at 4:06 p.m., the Subcommittee was adjourned.]

[1] The hearing was adjourned before these three witnesses made their statements. The prepared statements for Mr. Pinkerton, Mr. O'Keeffe, and Mr. Blanton appear in the Appendix on pages 75, 79, and 85, respectively.

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REMOVING THE SHROUD OF SECRECY: MAKING GOVERNMENT MORE TRANSPARENT AND ACCOUNTABLE—PART II

TUESDAY, APRIL 13, 2010

U.S. SENATE,
SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT,
GOVERNMENT INFORMATION, FEDERAL SERVICES,
AND INTERNATIONAL SECURITY,
OF THE COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS,
Washington, DC.

The Subcommittee met, pursuant to notice, at 2:35 p.m., in room SD–342, Dirksen Senate Office Building, Hon. Thomas R. Carper, Chairman of the Subcommittee, presiding.

Present: Senator Carper.

OPENING STATEMENT OF SENATOR CARPER

Senator CARPER. Good afternoon. This is a little bit like church. In church, you have the pews up front and the pews in back. The pews up front are always empty, and if our witnesses will turn around, you will see what I mean. The folks are sitting in the back pews there. Some of them look kind of young. I do not know where you ladies and gentlemen are from. Where are you all from? Well, this is like "American Pie." This is good. [Laughter.]

We are glad you are here.

To our witnesses, this group has your back.

Mr. BLANTON. Thank you.

Senator CARPER. Our Subcommittee will come to order, and our thanks to our guests and our witnesses for being here today. For the next hour or so, we are going to discuss ways that President Obama and his team of Open Government experts can reshape both old and inefficient bureaucratic agencies into lean, not so mean, citizen-focused machines. And we had hoped to hear from our panel of witnesses today a couple of weeks ago, but there were larger issues at play, and unfortunately we had to take a rain check. As I recall, we had to basically stop our hearing. There is a procedure, a process in the Senate that at the beginning of the legislative day, the Majority Leader or his or her deputy will ask unanimous consent for the committees to meet beyond a 2-hour limit, and if we do not get that unanimous consent, we cannot meet. And the unanimous consent was sought, was refused, somebody objected from the other side, and as a result, we had to close down all of our committee hearings throughout the Senate abrupt-

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ly. And we apologize again for the disruption. We are just glad that our witnesses were willing to come back, and nobody objected today so we can all be here.

But before our hearing ended last month, we were able to hear from one panel, and that was from the administration's top officials who are leading the Open Government Initiative. I applauded them then and I will do so again today. The Administration released guidance to reduce wasteful agency spending to make senior leaders more accountable and to improve, we hope, the lives of everyday Americans.

It should not be a talking point anymore that agencies should be as transparent and accountable as possible, and change needs to start at the top. When I was the age of these old people sitting—actually, these young people sitting out in the audience, to say to somebody that they were transparent was not a compliment, and it is interesting today that we want our agencies, we want those that are serving us, we want our legislative process, we want our leaders to be transparent in what they are trying to do. So what was not a compliment a few years ago is today. We are very much attempting to be transparent.

Now that we have an opportunity to hear from our panel of outside experts, I hope to finish the discussion we started a couple of weeks ago and learn in what areas the Administration is doing well, what areas may need some more attention, and more importantly, how making agencies more open and transparent will make the lives of 300 million Americans a little bit better.

Just to recap why this hearing is important, every year agencies spend nearly $1 trillion—think about that, $1 trillion—on contracts, grants, and loans. Yet it seems like every week or so we receive another report from outside watchdogs—actually, they are kind of like inside watchdogs, but the Government Accountability Office, which is a Federal agency, or from an agency's Inspector General outlining significant wasteful and inefficient spending. You expect some of that with an operation as big as the Federal Government, but there is plenty of waste that still goes around, and the folks at GAO and the Inspector Generals help us to identify that. But at a time when a lot of Americans are trying to keep from losing their jobs or avoid foreclosure on their homes, we in the Federal Government, need to lead by example and not by exception.

I like to tell my staff, if it is not perfect, make it better, and try to focus on doing everything well. I believe that phrase can be applied here. There is more that both the Administration and the Congress can do to make sure that we are spending Americans' hard-earned tax dollars wisely, and we need to work together to get it done. The American people demand it.

In closing, I just want to add that as we discuss all of the new and exciting initiatives that the Administration has under way or plans on undertaking in the near future, we ought to keep our eye on the ball. Our job does not just end at making information freely available, but in making sure that information can be effectively used to improve services to every American, to reduce wasteful spending, and to enforce accountability.

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Again, our thanks to our witnesses of this panel, one of whom showed up wounded—he is coming off the DL, the Disabled List—to be here with us today, and we are grateful for that.

My statement says I will now recognize Senator McCain for his opening statement, but he has not joined us yet, and he may during the time that you all are here, and I hope so. And if he can, we will recognize him when he arrives.

Again, thank you. Your entire statements will be made a part of the record, and I will just ask maybe, Mr. Wonderlich.

TESTIMONY OF JOHN WONDERLICH,[1] POLICY DIRECTOR, SUNLIGHT FOUNDATION

Mr. WONDERLICH. Chairman Carper, thank you again for the opportunity to appear before you today. As you said, my name is John Wonderlich, and I am the Policy Director for the Sunlight Foundation. The Sunlight Foundation is a nonpartisan nonprofit dedicated to using the power of the Internet to catalyze greater government openness and transparency. We take our inspiration from Justice Brandeis' famous adage, "Sunlight is said to be the best of disinfectants."

We are committed to improving access to government information by making as much of it as possible available online. Indeed, we believe it is important to redefine "public," as in the phrase "public information," as meaning online. We focus on creating databases and new tools and Websites to enable citizens to get the information they need to be informed participants in our democracy. We believe that transparency and openness are essential foundations for public trust and that without the former, the latter cannot survive.

The Internet is making increased transparency cheaper, more effective, and in higher demand every day as Americans come to expect instantaneous and constant access to all kinds of information. Given the rapid technological advances in how information can be captured, stored, analyzed, and shared, this is the time for government to rethink how it makes information available.

There are three core principles for establishing an open and transparent government:

First, transparency is government's responsibility. Transparency must, first and foremost, be understood as the responsibility of our government since private and nonprofit responses can only reach so far.

Second, public means online, so whenever the government has committed to making information public, the standard for public should include freely accessible online. Information cannot be described as truly public if it is available only inside a government building, during limited hours, or for a fee.

Third, data quality and presentation matter. The Internet has redefined effective communications and publishing, and it is now an around-the-clock open medium in which now standard practices include continuous dissemination, permanent searchability and reusability, and other key features.

[1] The prepared statement of Mr. Wonderlich appears in the Appendix on page 89.

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So why are these improvements in government transparency so important? First, transparency is the basis for informed participation in self-government. The public has rising expectations of greatly expanded access to government information so that they can play a fuller role in understanding, evaluating, and participating in the workings of their government. Our role as citizens is only as strong as our government is open. This idea is not an abstract, distant kind of public good. The actions that make up our civic lives—informed voting, active participation or analysis—these all depend on access to public information. Without that connection, citizens are left disconnected and dispirited, and substance and dialogue are replaced by apathy and divisiveness.

Second, online transparency can create accountable and efficient spending, something that governmental bodies and cities and States and here in Washington are just now starting to discover.

Third, when government makes data public, it can foster whole new businesses or industries. President Obama's Open Government Directive recognizes this potential, noting that information that make "create economic opportunity" should be given special priority.

And, fourth, and perhaps most importantly, open and transparent government is accountable government. Open information allows us to check what government is doing with our tax dollars and for whom.

Sunlight's vision is one of a rich, vital public sphere where politics is driven by dialogue and fact and merit drives decisionmaking in government. In that spirit, we are pleased to help shape the new policies and technology that will allow us all to benefit from a stronger democracy, creating new platforms and databases to inform and engage citizens, empowering journalists, lawmakers, and public officials, investing in our social infrastructure to demand and make better use of government information, and advancing the bold and responsible policies that will ultimately open our government.

Thank you very much, and I am happy to answer any questions.

Senator CARPER. That is your story and you are going to stick to it?

[Nodding affirmatively.]

Senator CARPER. Good enough.

I failed to introduce Mr. Wonderlich before he began speaking, and I will just say just a couple things.

Is it true that you are the Policy Director at the Sunlight Foundation?

Mr. WONDERLICH. Correct.

Senator CARPER. And is it true that the Sunlight Foundation is a nonpartisan, nonprofit organization dedicated to openness and transparency in government?

Mr. WONDERLICH. Sounds right.

Senator CARPER. All right. Is it true that in this capacity you work with the Congress, you work with agencies, and the public sector to develop smarter policies that help reform bad government practices?

Mr. WONDERLICH. Indeed, yes.

Senator CARPER. And that is why we asked you to be here today.

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Mr. WONDERLICH. Thank you.

Senator CARPER. Thank you.

Our next witness is Steve O'Keeffe, founder of—do you call it MeriTalk? You founded it, didn't you?

Mr. O'KEEFFE. I did.

Senator CARPER. How long ago?

Mr. O'KEEFFE. Two years ago.

Senator CARPER. Two years ago. And before that?

Mr. O'KEEFFE. I had been working in the public-private domain for about 20 years.

Senator CARPER. Where did you learn to speak English?

Mr. O'KEEFFE. That was in London.

Senator CARPER. OK. You speak it better than the rest of us, I think.

Mr. O'KEEFFE. Well, differently, maybe.

Senator CARPER. I did an interview this morning on Fox Business Network, and the guy who was interviewing me was British. He kept asking me, "What are you saying?" [Laughter.]

He was wondering what I was saying. No, we actually had a Kumbaya moment. We actually agreed on some things. It was pretty amazing for both of us.

I am told that MeriTalk is an online community of technology experts that focus on leveraging technology to improve the way that agencies operate. I understand that you tasked this community of experts to grade the Administration, give them a grade leading up to our hearing, and that you will report back the results today. And I just have one question before you start: Do you grade on a curve?

Mr. O'KEEFFE. No, it is not graded on a curve.

Senator CARPER. OK. Fair enough. All right. Well, good. You are recognized. Please proceed. Thanks again for being here.

TESTIMONY OF STEPHEN W.T. O'KEEFFE,[1] FOUNDER, MERITALK

Mr. O'KEEFFE. Chairman Carper and Subcommittee Members, thank you for the opportunity to speak to you here today. My name is Steve O'Keeffe, and as you mentioned, I am the founder of MeriTalk, the government IT network. MeriTalk is an online community that fosters public-private collaboration and dialogue in the government IT community.

First, I would like to congratulate you on the innovative format for this hearing, breaking it into two parts. Seriously, while the separation between government and industry panels was unorthodox——

Senator CARPER. I just want you to know, Mr. O'Keeffe—forgive me for interrupting, but I just wanted you to know the room is just emptying out. [Laughter.]

Moments after you started to speak, everybody got up and began to leave. But we have a new group from Delaware that are here to bolster you and they are here to cheer. So go right ahead.

Mr. O'KEEFFE. It is probably because they cannot understand me. [Laughter.]

[1] The prepared statements of Mr. O'Keeffe appears in the Appendix on pages 79 and 93 respectively.

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So just to say, apart from everybody leaving, I wanted to congratulate you on the unorthodox format for this hearing, breaking in into two parts. Here we are in the reloaded session. While it was unorthodox, it did provide us the opportunity, candidly, to connect with some of the people who spoke in the first panel, the government experts, and engaged in some very meaningful dialogue. Just last week, I met with Vivek Kundra at OMB and with Mike Wood at the Recovery Board. We reviewed the results of the MeriTalk Ogov Study, which I am going to present in a minute or two here, and exchanged perspectives that will help shape the path forward on both sides of the equation, both government and industry, real, meaningful public-private dialogue. Perhaps this should be the format going forward. We should stop every hearing halfway and reload it.

Senator CARPER. Did you happen to engage them once the hearing had to stop? Is that when you all had a chance to talk?

Mr. O'KEEFFE. Yes.

Senator CARPER. How fortunate. That is great. We may want to do that more often.

Mr. O'KEEFFE. I think it could be the new thing.

Senator CARPER. It could be.

Mr. O'KEEFFE. So I would like to begin by noting that President Obama's Open Government Directive is not a stroke-of-a-pen initiative. If you will pardon the hyperbole, it is analogous to President Kennedy's challenge to go to the Moon in 1961. Nobody expected to see a spaceship take off one year after the announcement, and if they did, I would put it that few people would have jumped on board to ride that spaceship just one year after the announcement. Many of us have had the opportunity to ride on the Open Government Apollo 1, and I think we have had some mixed experiences, candidly.

Just over a year ago, after the signing of the Open Government Directive, Open Government is getting mixed reviews. In my written testimony, I talk about some of our firsthand experience trying to build applications on top of the first version of the IT Dashboard from OMB as well as for searching for content on Recovery.gov. I guess the net of our experience was that it was pretty frustrating. If I might, the juice just really was not worth the squeeze once we had gone through the process.

That said, seeing as this is an Open Government hearing, we thought it would be appropriate to bring the community's voice into this hearing, so that is why we hosted the Ogov Survey on MeriTalk prior to the initial hearing to get the community's read on how we are doing in Open Government. And with that, let me present a couple of slides here.[1]

The first is we asked, Do you think the government is more open today than it was when President Obama took office? And while 53 percent say yes, there is a surprising number of people that think that, no, the government is not more open, and also a significant number that think that they are not sure whether it is more open or not.

[1] The slides presented by Mr. O'Keeffe appears in the Appendix on page 82.

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Senator CARPER. Interestingly enough, I saw some polling data today at a luncheon presentation, and the President's favorables and unfavorables or uncertains kind of reflect those numbers right there. Isn't that interesting?

Mr. O'KEEFFE. Yes, it is. Well, hopefully we can get the Open Government—send them an op and hopefully get the President's approvals up. That would be great.

Do you feel that Open Government is providing——

Senator CARPER. I am glad you got that in before Senator McCain joined us. [Laughter.]

Mr. O'KEEFFE. There will be more people leaving the room.

We asked: Do you feel that Open Government is providing you with a voice in how government works? And you will see that 58 percent of the sample say no, which is interesting. So when we look at this notion of Open Government as a way for citizens to have a say in how their government operates between elections, we are not really meeting that requirement right now. I think that is an important point.

These are just a few of the questions that we put. We asked: How would you grade OMB's IT Dashboard? And what we see is only 4 percent give that Dashboard an A grade. When I sat down with Vivek Kundra, he was keenly interested in this feedback. You will see that 37 percent give it a C grade and 21 percent give it a D grade. So there is a lot of room for improvement.

One of the things that I think was very encouraging is a very open path in terms of discussion about what the feedback is. There is no denial from the executives.

We asked: What was the biggest challenge to Open Government? And the No. 1 point here was management resistance to transparency—hardly a huge shock. Obviously, we are trying to introduce new ideas, and so I think we need a lot of evangelism inside the government and talking about the requirement to civil servants about the requirement to do this because this is a new way of looking at things.

Another point here, 16 percent said the absence of a proven model and infrastructure for real citizen engagement, so looking at all this Web 2.0 stuff where we are looking at how to put that together as it evolves provides something that is really valuable.

And then we asked: Should the government execute research to identify what citizens like and dislike, what they want and need from Open Government? So if the government is building a product, which is a new role for the government, it will be a great idea first to have some understanding of what citizens are looking for in Open Government rather than just building what we think, if that makes sense.

So as I mentioned in my opening comments, I had the opportunity to sit down with Vivek Kundra at OMB and with Mike Wood at the Recovery Board since our first hearing. Both of these executives were keenly interested in the results of the MeriTalk Open Government Study and, importantly, open a dialogue about how to improve the state of Open Government.

Vivek Kundra advised that OMB has made significant upgrades to its IT Dashboard since we looked at it last year. We talked about

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the opportunity for better communication with the community on the site's functionality as very important.

That said, we took a look back out on the site, and we did find that the platform has much improved. I would like to present just a couple of slides from that to show the kind of data that is available today on the site. The data is there, the analysis we provided, and there is significant opportunity for public-private partnership going forward in this area. So a couple of quick slides.

This is the first slide looks at what the government's information technology and management spend.[1] This is $40.2 billion with a "b" each year. And so what we see here is that 64 percent of that spend is going on maintaining legacy systems. So keeping up expensive legacy systems, and in many circumstances we might perhaps be better off looking at modernizing rather than trying to put Band-Aids on the existing systems. And this speaks to cloud and many other initiatives looking at modernizing government's IT infrastructure.

We break out here by DOD and civilian, and what you see on the first chart there on the left-hand side is that DOD spends significantly less on maintaining the old than the civilian agencies, so maybe there is a way to look at accelerating that modernization and taking a leaf out of the DOD's book.

The next and final slide that I will show you is a further breakdown of that data, and what this shows is information infrastructure maintenance, information management, information security spending.[2] The red is information security spending, and you will see that far and away the lion's share of information security spending is happening in the Department of Defense. There are red portions on each of these civilian government's charts, but it is so marginal that you really cannot even see it. So sometimes graphing data provides new insight, and our intent is to look at taking data that is being published by the government and repackaging it in fashions that will provide applications and value for the American public.

Mr. Wonderlich talked a little bit about this notion of the private sector providing additional value-added, and we very much support that notion.

We are currently in dialogue with a series of Federal agencies to ground source some of the numbers that we pulled from the Dashboard to find out whether they are indeed accurate, and so we look forward to continuing that dialogue and proving that out.

Thank you for the opportunity to testify today, and I await your questions.

Senator CARPER. Thank you. I thought your colleague who helped with the presentation on the charts just did an exceptional job. [Laughter.]

Do you want to introduce her?

Mr. O'KEEFFE. Yes, this is Lauren Walker. She is really the brains of the outfit and helps out in all circumstances.

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[1] The slide referenced by Mr. O'Keeffe appears in the Appendix on page 83.
[2] The slide referenced by Mr. O'Keeffe appears in the Appendix on page 84.

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Senator CARPER. I was watching her from time to time during your presentation. I could just barely see her lips move when you spoke. [Laughter.]

You guys are pretty good at that. Thank you.

Our last witness is actually somebody we have seen around here before and we welcome him back: Thomas Blanton is the Director of the National Security Archive at George Washington University. Mr. Blanton has been a leading national advocate in reforming the way that agencies classify and protect information. We are pretty good at overclassifying, as I recall.

Mr. BLANTON. Yes, sir.

Senator CARPER. And as I stated during last month's hearing, I understand that you have conducted more than—is it 40 Freedom of Information requests? Is it 400?

TESTIMONY OF THOMAS BLANTON,[1] DIRECTOR, NATIONAL SECURITY ARCHIVE

Mr. BLANTON. Forty thousand.

Senator CARPER. It is 40,000. That is probably more than anybody around—well, maybe not, but that is a lot of 40,000 Freedom of Information requests. I can hear them say, "It is him again. It is Blanton again with another FOIA request." That is a lot. I do not know if you get paid by the FOIA request, but if you did, you would be well off.

Mr. BLANTON. The pharmaceutical industry does about 10 times as many.

Senator CARPER. OK.

Mr. BLANTON. We are just a small nonprofit media outfit trying to keep the government open.

Senator CARPER. OK. Well, we are glad you are here, and thanks for joining our panel again today. I want to apologize for your having to come back, but we are glad that you are willing to. And as Mr. O'Keeffe suggested, maybe some real good has come out of the fact that we were disrupted last time and had a chance to have a dialogue that otherwise would not have occurred.

Mr. BLANTON. I would echo that, Mr. Chairman.

Last time I actually got to personally congratulate Vivek Kundra on the CIO Council winning the Rosemary Award, named after Rosemary Woods for her infamous 18½-minute gap in the Watergate tapes. And we gave it to them this year, to the Chief Information Officer Council, because although they have been in charge of best practices for government's IT, all that spending that Mr. O'Keeffe is talking about, since 1996 they have never addressed the crisis in electronic records and e-mail preservation. And if they cannot on the front end of those billions and billions put in the preservation and access piece, then none of us are going to have any documents to FOIA request for down the road, and we will not know what our own government has done.

So your hearing last time gave me the opportunity to give him my own personal congratulations, but that is the least of it. I just want to make three points today, Mr. Chairman. One of them is

[1] The prepared statements of Mr. Blanton appear in the Appendix on pages 85 and 97 respectively.

ph44585 on D330-44585-7600 with DISTILLER

just the importance of this process and this hearing and this follow-up, because by calling Vivek Kundra, Aneesh Chopra, and David Ferriero last time, you actually forced some decisions on them. They had to face up and push the agencies to come up with tangible deliverables and to be able to come here and tell you we are doing something really positive here. You have the bully pulpit, and your role, I think, is truly essential to the progress that we are already seeing.

I think that is my second point. I am more optimistic today than I would have been on March 23 if you had me on the panel right after them. And the reason why is between March 23 and today, those agencies have all deposited their Open Government plans on the public. And it is a fascinating process to see the bureaucracy itself churning. They have been ordered to do so by the President, by the Office of Management and Budget, and they have actually created interagency processes where some of their best and brightest are trying to come up with ways to make their process more open to the public. They have systems that are trying to identify those high-value data sets they can put out there. You see this bureaucratic motion happening, and change will come of that.

But that is really the third point, which is we are not there yet. It has not changed. Maybe the wheels over at the White House—this is Norm Eisen . He likes this metaphor. He says, "We have turned the wheel all the way over with our directives and our orders and our guidance and the memos and Day 1 pronouncements by President Obama. But it is a super tanker, and so the ship is just barely moving like this."

Well, I am here to tell you today is not a super tanker. It is actually a fleet. And there are aircraft carriers and there are dinghies, and we have actually found a couple of rowboats, too. And let me tell you, they have no radio equipment to be in touch with the White House, and they do not know what is going on, and they have not received the word yet.

What we released last month was our eighth audit government-wide of how Federal agencies are responding to Freedom of Information requests, and we did a real simple thing. The President had put out a directive on his Day 1 in office for agencies to get more responsive, change your Freedom of Information practice. The Attorney General then in March for Sunshine Week last year put out specific guidance to all the agencies saying: Change your FOIA practice, your regulations, and your training materials.

So we did a simple thing. We filed Freedom of Information requests with all 90 major Federal agencies, said: Show us. What did you change? Give us a copy of your regs before and after. Give us a copy of your training materials. Give us a copy of your guidance. Give us a copy of anything that you changed in response to the President and the Attorney General. And I can tell you today 13 out of 90—only 13 out of 90—Federal agencies made any concrete change to their actual FOIA practice in that first year.

Now, why I am more optimistic. That made headlines across the country on March 15, and the headlines were, "Report faults Obama's efforts at transparency," or "Agencies lag Obama message." That was Monday morning.

ph44585 on D330-44585-7600 with DISTILLER

Tuesday morning, the White House Chief of Staff and the White House Counsel sent a memo to all 90 agency heads saying: Remember us? Change your Freedom of Information guidance, practice, regs, and show it to us.

Twenty-four hour responsiveness, and that is, I think, Mr. O'Keeffe's experience talking to Mr. Kundra and others in this. They are not defensive about it. They want to change it. They need us pushing to change it. They need you holding oversight hearings to change it. They need agencies to get why it is in their interest and the taxpayer's interest to be more open. And that combination of pressure can actually make the change. But diversity of agency response is the great challenge.

We are right in the middle today, with Openthegovernment.org, Mr. Wonderlich's great outfit as well, where we are looking at all those Open Government plans and saying what is real, what is Memorex, what is really going to be a change, and what is just promises for the future. And it is a fascinating diversity because some of them are really impressive.

In my written statement, I describe my colleague Gary Bass has highlighted the Department of Health and Human Services and saying this is a really impressive Open Government plan. They have tangible high-value data sets they are going to have out by the end of the year. They have done this on their flagship initiatives. This is great.

Others of those plans just say: Well, something? We are going to keep planning to write this plan. We will plan on planning, and we will plan some more, and then maybe we will plan again and we will give you the plan. And that is great, but it is not openness.

You can see how frustrating it must be if you are sitting at the White House and you are trying to turn the ship or change agency practice. Our first governmentwide audit was whether Attorney General John Ashcroft back in 2002 had changed the way Freedom of Information requests were responded to. And, again, he sent out this memo saying, we at the Justice Department will defend you if you can find any reason to withhold information from the public, we will defend you.

So we asked the agencies: What did you change? Fascinating. Four or five agencies actually had written memos from their counsel's office to their program people saying this is the end of the Freedom of Information Act, you do not have to respond to anymore requests. The vast majority of agencies, 30 or 40 of them, just sent a copy of the memo out to their field offices, but did not actually change their own regs or practice. And then there were four agencies that wrote us back, and they said: Excuse me. What Ashcroft memo was that? Could you send us a copy? We never got that one.

I can tell you, every agency has gotten the Obama memo and the Holder memo, and you can see it in just the responsive process on the FOIA requests, and you can see it in the responsive process to the White House. But change, it is still in the future.

So let me just end with a suggestion. We are in the middle right now of this evaluation of agency Open Government plans, which is sort of where the rubber meets the road. My bet is by the end of this month or certainly by the first or second week of May,

ph44585 on D330-44585-7600 with DISTILLER

Openthegovernment.org is going to publish our rankings, ratings, and evaluations. We are all volunteering. We have a whole network of people all pitching in, taking this or that agency, looking at it against a set of criteria. ProPublica just won the Pulitzer Prize yesterday. They are pitching in on this, too. A lot of us are doing it.

I have a recommendation for a hearing that when those ratings are done, you not just invite Openthegoverment.org to present the evaluations, but you pick the two best agencies and the two worst agencies and have their chief information officer come in, their chief Freedom of Information officer, maybe their deputy head of the department, maybe even the Cabinet Secretary, and tell you why are you so good, what is your lesson, what is your best practice, and why are you so bad. And I tell you, I think you will see direct change coming out of that subcommittee hearing.

I really appreciate your attention to these matters. It matters so much, and I look forward to working with you in the future. Thank you, Senator.

Senator CARPER. Thanks. Thanks very much for your comments and your counsel, and thanks for your advice on——

Mr. BLANTON. For what it is worth.

Senator CARPER. It is going to be a pretty interesting hearing. I have a couple questions for individuals, but I have a question or two for the full panel. The first question I am going to ask is for the entire panel, and I do not care in what order you respond, but I would like for everybody to share at least one thought on it.

One of the reasons we ask two panels to testify is to, first of all, provide Administration witnesses with an opportunity to really set the stage or attempt to set the stage about what we are actually working on; and then we invite a second panel of outside experts—that would be you—to provide us some food for thought, to provide just outside-the-box ideas and observations. In essence, your job is to let us know what the Administration ought to be thinking about going forward or perhaps what they could be doing better. And you have mentioned a number of those already here today.

Can each of you tell me two or maybe three areas where my staff or I ought to focus on to help the Administration reduce wasteful spending and to improve services to the people we work for? Maybe two, maybe three ideas for our staff. What can we do to help make sure that the Administration reduces wasteful spending and improves services to our citizens?

Mr. BLANTON. All right. You started right in this direction at the last hearing, and I was really impressed that both you and Senator Coburn pressed Vivek Kundra on, OK, when is the subcontracting information going to be up there, and that is a great step forward because that is where the competitors are going to be able to see what the other folks are up to. That is where you are going to level the playing field some on both the procurement side but also on the effectiveness side, which is what your questioning goes to.

It is interesting to me—and I still remember the Obama-Coburn bill, or was it Coburn-Obama bill? And it seemed like——

Senator CARPER. Or in Delaware it was the Carper-Obama-Coburn bill.

Mr. BLANTON. I stand corrected, Mr. Chairman.

Senator CARPER. No. Senator Coburn was the lead.

ph44585 on D330-44585-7600 with DISTILLER

Mr. BLANTON. It seemed to me that there was a meeting of——

Senator CARPER. Barack Obama was just a mere mortal.

Mr. BLANTON. Just a junior Senator then.

Senator CARPER. He was a new guy.

Mr. BLANTON. It seemed to me there were two theories of governance that came together in that bill, and one theory from Senator Coburn is that the more people see of what the government spends, the more they will see the waste, the fraud, and the abuse, and they will demand that it stop. And there was another theory of that government spending which is that if people can actually see—it is that old notion of when people only vote for bond issues for a school when you can see what the money goes to. If you see what it goes to and you have got some built-in accountability so that there is counterpressure against waste, people might actually support it. They might actually want it. And it seems to me that argument is a perpetual argument in the American system. I still remember—I think Bill Moyers said the American eagle has two wings, a right wing and a left wing. It is a permanent argument, right? And that is great because that is a dynamic tension. But the commonality is that transparency is the key that will lead to those greater services. You can get to that subcontract data. I know it is required by law. I think it is supposed to be all up by October. Is that correct?

Senator CARPER. I think so.

Mr. BLANTON. Yes. Then I think we are a big step along the way. I think if you can also reinforce this whole Open Government process, because I really do see a level of new energy in the bureaucracy, now that they have deadlines that are set, now that they have been tasked by the President and by the budget folks, they are producing some ideas. Some of the ideas are terrible. Some ideas do not go anywhere. Some of them could really be best practices that will directly, I think, address what you are trying to achieve.

Senator CARPER. OK. Thank you.

Mr. WONDERLICH. So when the Open Government plans were released on the January 7, 2009, my organization looked specifically at the component of each agency's Open Government plan and how well they fulfilled the requirement to inventory existing data, high-value data, and identify future data to be available for download. And what we found was, I think, what we expected, and that is, very mixed results. Just as Mr. Blanton was describing, President Obama's clear political will to open up the Executive Branch translates into mixed results when you look at real change within the agencies. So through the lens of did agencies identify high-value data, the results are clearly mixed, and I think we can see some of the limitations of a concrete requirement like Mr. Blanton was describing.

So the first point I would make is to look into the idea of data inventories. On top of the current Open Government Directive, there are existing statutory requirements for agencies to list all the information that they have that has been largely ignored for a decade or more. So I think the idea of telling the public what is knowable about an agency is a very powerful one, and that is why my organization is focused on it.

ph44585 on D330-44585-7600 with DISTILLER

Now, beyond the idea of the concrete requirement, I think one of the untold stories of the Open Government Directive is this idea of encouragement and brainstorming and collaboration. So in the last few days, the White House released this stretch criteria document which is bonus criteria or things that the agencies should do to move beyond what the directive requires, and I think that is a very unusual and laudable move for the White House to say: You know what? Our directive is not comprehensive and it does not go far enough. But that is not a failure. In fact, we are encouraging agencies to think about what should come next. And so I would encourage you and your staff to perhaps connect with the idea process that is happening across agencies and some of these working groups that are not just thinking about what the requirements are now but what they should become maybe in a 3-year time frame. I think there is a lot of really valuable work being done there.

Then the third thing is I would encourage—and this is very much along the lines of what Senator Coburn was talking about at the first part of this hearing, that the problems that plague USAspending.gov and, by extension, the Recovery Website I think are much deeper and endemic issues than just building a Website, so questions of what kind of financial reporting systems have to be rebuilt from the ground up in order for the FFATA bill to actually come to fruition. I think that is a longer-term question that is going to take real effort to address and the one that we are looking into finding answers for.

Senator CARPER. OK, thanks very much. Mr. O'Keeffe.

Mr. O'KEEFFE. I will make a couple points.

Senator CARPER. Do you agree with anything they have said?

Mr. O'KEEFFE. Not at all, no.

Senator CARPER. OK. [Laughter.]

Mr. O'KEEFFE. Yes, of course. Got to keep us awake. But I think that the focus is very much on what data the government is publishing, and I think one of the things we have to look at is what data is America interested in consuming, and so I think more research on who is interested in this data and what kind of information we should be putting out is very important.

I spent about a year or so working in the Department of Homeland Security in the National Cyber Security Division, and at DHS we launched a thing called the National Cyber Alert System, and it was a subscription-based service where you could log on to find out what problems were happening on the Internet and what might affect your computer. There were two different systems, two different levels. One of them was a technical level. That was for technical people. And then one was a regular level for regular people. And so what I would do is I would get these messages coming across my desk, and I would call my mother-in-law, and I would read them to her and find out whether she understood what I was saying. And if she did not understand what I was saying, then I would send them back to Carnegie Mellon. So after about 2 weeks, Carnegie Mellon got very frustrated with my mother-in-law.

But what we have to do is understand what is the American public interested in. Who are the audiences for this Open Government content? Let us look at this hearing. Apart from a lot of the school group that left earlier, this is not a packed house, and so we need

ph44585 on D330-44585-7600 with DISTILLER

to work out what it is that people are looking for from Open Government and provide that content.

The other thing I would say is that it is garbage in, garbage out, and so there is a lot of discussion, and Senator Coburn was quite forceful in terms of this subcontractor issue and reporting subcontractor performance and so on. And the net of it is if we do not have a better program management system and a more standardized program management system in government, then the data we get is going to be less than optimal, and the outputs that we can produce are going to be less than optimal.

We need to do the same thing from a program management standpoint and also from a procurement standpoint. Wouldn't it be great if we had better quality data coming out of the agencies, people coding the same information in the same fashion. So I would say, that, yes, we need to look at the information that is coming out of the agencies, but we have to take one step further back and look at how that information is being captured, how we are managing projects in government, how we are managing and recording the procurement process, and also on the other end who is interested in consuming this data and what are their opinions. What are the outcomes of these efforts, not just the behaviors, which I think are very important.

Senator CARPER. All right. Well, thank you very much. I thank each of you for your thoughtful responses.

Some of you have criticized the Open Government movement as focusing a little bit too much on inside baseball. Now that we are in baseball season, we will use that as an example. For example, the previous Administration typically focused their efforts on uploading outdated agency reports online that were many times difficult to find and oftentimes more difficult to understand. And although these reports were better than nothing, Americans want transparency in the day-to-day services that they depend on like Medicare, veterans' benefits, tax work done by the IRS, or maybe getting small business loans.

How will Open Government help them? And how do we make sure that we prioritize our efforts to help citizens? So a two-part question.

Mr. BLANTON. The way we have looked at the Freedom of Information system is it is a kind of market signaling or should be a kind of market signaling to the government to help answer Mr. O'Keeffe's question about what are the audiences, what do people care about, what do they want to get out of their government. And if you look at the largest user groups of Freedom of Information, according to agencies' own reporting, it is veterans asking about their service records and their benefits; it is senior citizens asking about Medicare and Social Security and projecting their lifetime. And those are in the tens of millions, those information requests.

And so the one problem is that many of those are personal or private. That is first-party information. They are asking for it about themselves or about their family. You do not put that on the Web, or you probably should not, not if it accompanies a Social Security record number, right? And yet there are probably ways—and this is what I think I am most optimistic about the Open Government plan focus on tools like dashboards that make the online experience

ph44585 on D330-44585-7600 with DISTILLER

so much easier to navigate so that you can then get to those individual—those pieces of information most directly relevant to your own needs, your own life. And if the Web can deliver what the promise is and that the dashboard kind of toolkit allows for, this single click, double click navigation right to the place, then the system can be far more responsive, but we have got to clean up the Freedom of Information nonresponsiveness of agencies, do exactly what Mr. Wonderlich and the Sunlight Foundation are trying to do, get more of the high-value data sets on the Web so people can go search for themselves, because I cannot predict what Mr. O'Keeffe's mother-in-law is going to want to know from a given set of files, but it is our obligation——

Senator CARPER. But can Mr. O'Keeffe predict?

Mr. BLANTON. Maybe he cannot even predict, exactly.

Senator CARPER. OK, just checking.

Mr. BLANTON. But if you set up the navigation tool so that his mother-in-law can go to the site herself and look around, make it as easy as doing an online search in any of the major search engines, then you are at a place where you are going to get the benefit of the wisdom of crowds.

Mr. O'KEEFFE. It is a full-time job trying to predict what my wife wants to do, so I have not spent that much time pondering my mother-in-law's requests.

As far as this notion of how will Open Government help and how to prioritize, I would put it that research obviously is very important, understanding, what are the priority issues, but maybe that is not necessarily the role for government. Maybe the role for government is to clean up the data, to provide transparency and accountability in order to show the faith in our democracy, to improve the quality of our bureaucracy and the efficiency of our bureaucracy.

But by publishing the data in a format which is machine readable and intelligible, as Mr. Wonderlich had mentioned, there is an opportunity to unleash the private sector to develop new applications which will deliver value in multiple veins. So we are looking at perhaps almost a cable television model of applications that could provide value for different segments of the community, and how we work out whether those are actually delivering value, well, they will either succeed or they will fail. And so if you look at things, for example, like health or veterans' health, why shouldn't pharmaceutical companies step in and underwrite applications that will be written on top of government data which would deliver value to the American public.

So I think that the notion of the government developing this complete infrastructure, from source, from cradle to grave, if you will, in the Open Government model is not necessarily the way to go. I think what we have to look at is at what point is the data high quality to begin with? Is it served up in a fashion which is easily navigable? Is it delivering value inside the government? Looking at the priority areas but then potentially providing the opportunity for the private sector to step in and deliver value-add on top of that, and if they succeed or fail, that is going to be largely a product of whether they are delivering value or not.

Senator CARPER. OK. Thanks.

ph44585 on D330-44585-7600 with DISTILLER

Mr. Wonderlich, you get the last shot at this question.

Mr. WONDERLICH. Thanks. So I think there is this existing—the way things work now, so much of our government's data is collected for the benefit of maybe 10 government regulators. And for the life of me, I cannot figure out why that has been the case for so long.

For example, the Department of Labor just released as one of their flagship initiatives a unified search for different accountability data, so certain OSHA violations and mine safety health data. And I think that is a great move, but it also leaves me wondering why that was never released before. So if that data is valuable to collect and should have a behavioral impact on the people that they regulate, then shouldn't it have been released to the public in the first place? And I think the mind-set responsible for not releasing that is one that says we know how this data should be used best, and it is our job to fix the problem. And I think what is happening now is there are whole teams of developers, many of which are organizing through our Sunlight labs, who are chomping at the bit to create new businesses and new visualizations of how power and how our country works and how they can use government data to start to tell those stories and hold people accountable.

So on the question of priorities, I agree we have to have priorities about what to open, but I think at the same time we should recognize that we do not have all the right answers, and we should unleash the private sector and the nonprofit sector to help to start to find those answers.

Senator CARPER. I think that response gives us a pretty good segue to my next to the last question. Just based on what you have heard your colleagues at the panel saying here today, some of the discussion, some of the questions, some of the responses to those, is there anything else that you would like to either amend your original statements, opening statements, or maybe reinforce or underline, re-emphasize something that you had said in your opening statement? Just be thinking about that for us, if you will.

I think there is a saying I like to remind my staff when we are considering what the role of government should be in America, and this is not original to me, but I like to say that the role of government is to steer the boat, not to row the boat. And people say, "What do you mean by that?" And I use the analogy of health care delivery. In England, for the most part, the doctors and nurses and health care folks actually are government employees. In this country, that is not the case. We have doctors, nurses, and so forth in the Defense Department and the VA, but for the most part health care delivery is—it is either done through nonprofits or it is done through for-profit entities. But the role of the government, as I think, is to steer the boat, not row the boat.

I also like to tell them that public policy should really try to leverage market forces. At least one of you referred to that here today. And we ought to really seek to incentivize people to do what is the right thing.

In last month's testimonies, Mr. Kundra and Mr. Chopra mentioned setting up prizes and awards for people to compete for if they developed a more effective way to use agency information, and that strikes me as an effective model, an interesting model but a

ph44585 on D330-44585-7600 with DISTILLER

potentially quite effective model that could lead to some interesting results.

What type of results are we seeing so far? And is this something that Congress ought to think of expanding in the future? And, second, are there other ways we can incentivize agencies to do the right thing before it leads to a problem?

Mr. WONDERLICH. On the question of prizes and awards, that is a topic that my organization has some experience with.

So we ran something called the Apps for America contest, and it has happened twice, and right now we have a Design for America contest going on, and this is really an effort for us to say there is this powerful new force in the country which is that of the developer, whether working for a business or perhaps on their own, and trying to say what happens when you take those developers and set them free on Data.gov, what kind of useful things get created. So things like FlyOnTime.us, which is a Web page where you can see for any flight, how often is this delayed, if this is an important flight, should I aim for a different time.

Senator CARPER. I wonder if we have those for trains.

Mr. WONDERLICH. I do not know if that exists, but if we——

Senator CARPER. I will have to find out. I used to be on the Amtrak board, and I ride the train a lot. Amtrak used to have an ad campaign that went something like this: "Maybe your next flight should be on a train." In Delaware we only have non-commercial airports. In Delaware, I like to say all of our next flights are on trains.

I am sorry I interrupted you. Go ahead

Mr. O'KEEFFE. I think they were going to go with maybe your next trip should be on a train.

Senator CARPER. There you go.

Mr. WONDERLICH. But from an investment standpoint, we had enormous success with spending something, along the lines of $30,000 in prize money and getting dozens and dozens of applications that you would pay far more than that to have developed, and almost everyone involved benefited from the notoriety of being involved and getting attention to what it is that they were able to create. So we have had some success with the prize model. I am not sure how broadly that could apply to solving some of government's tougher problems, but I think that is an approach that the Obama Administration is committed to experimenting with and seeing how far we can take it.

On a similar level, the phenomenon of the Dashboard, which I think we are seeing more and more of, there is the IT Dashboard. OIRA now has a Dashboard about pending regulations, and the Department of Justice just announced a new FOIA Dashboard. I think those are all very useful things to display what is knowable about a certain behavior. I think we can assume that will have a strong effect on behavior, and it will be interesting over the next couple of years to see what the limit is of how much behavior can be affected by displaying it. But I think that experiment is currently underway.

Senator CARPER. Thank you.

Mr. O'KEEFFE. So I think that the initiatives that are taking place are good, and we need to innovate in order to change to

ph44585 on D330-44585-7600 with DISTILLER

achieve different outcomes. At the same time, we need to realize that we are going to fail in some areas, and this is not something that the government is very comfortable with. And so one of the outcomes of innovation is failure in certain areas, so we need to develop walls around programs, try new approaches and recognize they may not succeed. And I know it sounds a little strange to say that government needs to embrace the idea of failing, but I do think that is important. In order to succeed, you have to try again.

I think that this notion of prizes is a great idea, and I think wholeheartedly we support the innovation prizes that Mr. Kundra is working on and look forward to working with him on in that area. And at the same time, we need to look at both the stick and the carrot, so the prizes are a great idea. We also need to continue looking at reports that show how agencies are doing. And what I would recommend is that rather than just looking at measuring behaviors—and I think if you look at information security, FISMA is a perfect example of that where we measure whether or not you put in all this paperwork. We are not really measuring whether or not your agency is actually more secure.

Senator CARPER. We do a similar thing in education. When we measure performance in a classroom by educators or in a school or in a school district, we measure a process. We do not measure outcomes.

Mr. O'KEEFFE. Right.

Senator CARPER. Although speaking of leveraging resources and a race to the top, I am amazed at how effectively the Department of Education through Secretary Duncan has taken about $4 billion, which is, admittedly, a lot of money, but literally to leverage enormous changes in over 40 States in the way they deliver education.

Mr. O'KEEFFE. No. I think that is right. One of my colleagues has a severely disabled child, and so his wife has to go into the schools with Jack in order to take these tests. And it is critical that the kids actually take the test in order to get through the process. Of course, the kids cannot take the test, so the mother has to put the hand on the button in order to make sure they check the box, in order to file the paperwork, in order to get the funding. And so really what we have to do is focus increasingly on what are the outcomes that we are looking for and try to measure outcomes rather than behaviors.

Senator CARPER. Fred Voltaire is the guy I——

Mr. BLANTON. Oh, Mr. Voltaire. Right, your college roommate.

I was in Bulgaria a few years ago, and they had developed prizes for the government ministries who were the best and the worst at answering public request information. And the best award was called the Golden Key Award, and it was this beautiful, huge skeleton key on a trophy pedestal. Beautiful. The minister showed up to accept it, very happy. The bad award was not—they did not have Rosemary Woods to call on, and so for them it was the Rusted Padlock Award, also on a pedestal. And let me tell you, no minister showed up to accept it, but that was what all the newspaper stories led with, was the Rusted Padlock. And I think that is part of the problem with the prize approach, which is the news is the negative, when actually our challenge is how do you accentuate the positive, right?

ph44585 on D330-44585-7600 with DISTILLER

And so that is why I would say, when you are looking at constructing hearings, have a couple that are subperformers, but get a couple of the best practices ones, because the best practices ones, the prize winners are the ones that prove that the old bureaucratic refrain is resources, we just do not have enough resources, is not correct. The real difference between the high performers and low performers is not resources. It is leadership and will and pressure.

Senator CARPER. Well, we try to put a spotlight on both good behavior that we can to incentivize more of and that which is not so good.

The last question was just to say after looking at what each of you have been saying in response—just in your opening statements but also in response to questions and listening to the responses of others to the questions that have been raised, is there anything that you want to say or add in closing? It can be something new, maybe a new thought. It could be just to emphasize or underline already something that has been said by you or by someone else. We will start, Mr. O'Keeffe, with you, if you do not mind.

Mr. O'KEEFFE. Right in the middle.

Senator CARPER. Yes.

Mr. O'KEEFFE. I would just close with reiterating what I talked about earlier, which is, this is really analogous to a trip to the moon, and it is going to take some time. So, Vivek Kundra was really put to it by Senator Coburn about the subcontractor issue, and I think it is a very important issue, but I think that we have to be practical about what can be done and the time frames associated with it. So if we have program management and procurement systems where the data is not properly passed and there is not sufficient fidelity, then it is going to be impossible to get the data that we require, so we need to be realistic about what can be done.

I do not mean to say that letting people off the hook is the way to go, but I think we need to be practical. I think that we need to focus on outcomes, so it is not just a matter of publishing data. We want to work out what our priorities are and what we are looking to get out of this, who our audience is. And at the same time, I think that the notion of engaging with the private sector—and by doing that we allow the government to perhaps insulate it from some of the turbulence and ups and downs associated with getting new business models, which I think is a great idea.

And, last, I would say that, I appreciate the hearing. It is great to have these issues raised, and we are looking for more dialogue with the Administration, with the government on how to make this better. The answers are not going to come from one source. They are going to come from this crowd sourcing and discussion.

Thank you.

Senator CARPER. Yes, thank you. Mr. Blanton.

Mr. BLANTON. I would like to reiterate something that I mentioned to you when you came down from the podium when we called off that last hearing. I think I said to you, "Mr. Chairman, that first panel of government witnesses was brilliant." And it was brilliant for this reason: That the money and the power was at one end of the table, Mr. Kundra's end of the table, and the legal responsibilities were in many ways at the other end of the table with Mr. Ferriero, the Archivist of the United States.

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Senator CARPER. I remember when you said that.

Mr. BLANTON. And the National Archives is an orphan agency, unfortunately, and down at that end is where the money and the energy is and where the focus is, and yet our real challenge, I think, as citizens, as people who care about Open Government and transparent and accountable government, is to turn the Archives' role from that orphan agency out in the hinterland into being an integral part of the information technology development on which we are spending $40, $60, $80 billion a year, so that it is a seamless piece, so we are not saying to Mr. Ferriero, OK, pick up the mess after we have created all these very different legacy systems, all these different forms of metadata, all these different kinds of software and hardware, you have got to save the historically important stuff that is important to individuals and for history, but you are not integrated with what Mr. Kundra is doing.

I think at one of our previous discussions I suggested that the concept we should be after for that integration is something that you see on personal computers today, an automatic, built-in, back-up process at the time that you are running your network or at the time you are running your ethernet. The Apple Mac has a time capsule function where I never have to back up my little computer. It is every day listening to my computer when I log on the net looking for a new file or an updated file and automatically saving it.

The role the National Archives should play 5 years, 10 years, 15 years from now, should be the back-up hard drive for the whole Federal Government. But to get from where it is today, orphan agency spending only may be $400 million a year and then a clean-up after the parade mode is going to be permanent failure unless it switches over and becomes that back-up hard drive on the net for the whole Federal Government. To me that is the great kind of challenge, I think, institutionally.

Senator CARPER. All right. Thank you. Mr. Wonderlich, last word.

Mr. WONDERLICH. Thank you. So to me, I think we are at a really transformative moment for at least two reasons. One is because the gap between people's expectations and what the government is delivering is at an all-time high. If you look at our experience as consumers or shoppers or students, it is very different from our experience as citizens. The other reason is the way that President Obama raised the issue on the campaign trail of transparency and promised very big things about changing the way the government works. And that leaves us in a situation where the press and the public are very hungry for an evaluation, and it would be really simple right now to try to assign a pass-fail grade. To me, I think that would be an enormous mistake because what is happening is much more important and much more complicated than you could evaluate with a simple pass or fail.

So I think the challenge that I see right now is to take these transparency issues, which are really some of the things that people care most about, like earmarks or the way Federal money is spent or the way influence works in Washington or the way our decisions are made, and keep the momentum that is happening now moving forward in a way that is meaningful but also recognizes the complexity of the challenge.

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So as evaluators, I think that is the challenge that we have right now.

Senator CARPER. All right. Thank you. Again, I will go back to where I started off, and that is just to thank you for coming back and finding time in your schedules to be with us now a second time and to actually have a chance to share your thoughts with us and to respond to our questions and actually reflect on what each of you have to offer. We thank you for that.

When my wife asks me this evening, "How was that hearing that you were going to hold today?" I am going to say it was fun, and it also turned out to be, I think, highly informative, and we thank you for making it that way and sort of holding our attention and giving us some good insights going down the road.

We discussed a lot of important issues that although to most of us, to a lot of people in this country, they seem fairly abstract, but they can also lead to real-world impacts. For example, one area that we have been focusing our efforts on is over-budget IT systems that many times just do not deliver what they were supposed to have delivered.

I was happy to hear last month that, I think, because of our efforts, the Veterans Administration terminated, I believe, over $50 million in bad investments, and the Department of Homeland Security will be finishing a review soon that also may lead them to start cutting some of their dead weight. We need to expand this kind of accountability to most, if not all investments that our agencies undertake.

I also hear that the Obama Administration is leveraging the private sector to come up with new and even exciting ways to use massive amounts of government information. This type of thinking, I believe, recognized that our government is not the only one with good ideas. In fact, many times it is the average citizen, or the above average citizen maybe, who knows where the problems lie and maybe has some pretty good ideas on how to fix them.

So as we leave here today, I hope we will not stop discussing these issues. I think we will not. In fact, I want to invite our witnesses, or anyone else for that matter who might share our interests in these matters, to submit their ideas on ways to improve how our agencies are operating and to reduce wasteful spending.

Now, usually my colleagues who were unable to be here today will submit some questions for the record, and if you do receive them. You have as much as 2 weeks to submit questions, and if you would be so kind as to respond to them promptly, we would be grateful for that.

You all make a good team, and we appreciate very much, again, your taking your time to share not just part of your afternoon but some really good ideas with all of us. And with that having been said, this hearing is adjourned. Thank you.

[Whereupon, at 3:42 p.m., the Subcommittee was adjourned.]

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APPENDIX

FOR IMMEDIATE RELEASE

TOM CARPER

UNITED STATES SENATOR · DELAWARE

FOR RELEASE: Mar. 23, 2010
CONTACT: Emily Spain (202) 224-2441

SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT INFORMATION, FEDERAL SERVICES, AND INTERNATIONAL SECURITY

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

HEARING: "Removing the Shroud of Secrecy: Making Government More Transparent and Accountable"

Opening Statement of Senator Thomas R. Carper, Chairman

My thanks to our guests and witnesses for being here today. For the next hour or so we are going to discuss ways that President Obama and his team of "Open Government" experts can reshape old and inefficient bureaucratic agencies into lean, mean, citizen-focused machines. I have also invited a panel of outside experts to testify on areas that the Administration is doing well, what areas may need some more attention; and more importantly, how making agencies more open and transparent will make the lives of 300 million Americans better.

I am told that Albert Einstein once said that "Information is not knowledge." I think that statement is as true today as it was then. In the twenty-first century, information is power. In fact, some would say the United States economy has experienced a surge in job and wealth creation over the past three decades because of the information revolution and advances in technology. But like any other tool, information unto itself doesn't do us any good unless we know how to use it. For example, just because we simply possess a hammer doesn't mean a house will build itself. But if we know how to use the hammer, then we begin to see how a house can be built. The same is true with government information.

So I called this hearing not only to see what agencies need to do to open up their treasure troves of information. Instead, I want to learn how releasing this information will reduce wasteful agency spending, make senior leaders more accountable, and improve the lives of everyday Americans. On his first day in office, President Obama took an extraordinary step and signed an "Open Government" directive which instructed agencies to open their operations to the public. The idea behind the directive is that a more open government allows members of the public to contribute ideas and expertise to government initiatives. This collaboration will hopefully improve the effectiveness of government by encouraging partnerships and cooperation within the federal government, across levels of government, and between the government and private sector. Further, providing more

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government information by default, instead of by exception, will help reduce the financial and administrative burden of the FOIA process and spur innovation in the private sector.

But as the Administration moves forward on these new and exciting initiatives, I want to make sure that we are sticking to the fundamentals. For example, I am told that, despite the fact that legislation such as the Presidential Records Act and Federal Records Act have been law for decades, agencies have done an abysmal job when it comes to preserving their physical and electronic records. In fact, it was only two years ago when I held a hearing that touched on the fact that the Bush White House could not locate millions of e-mails – including those from the three months leading up to the invasion of Iraq. That type of situation is simply unacceptable and we need to make sure it's never repeated again.

Further, as our witnesses may know, I joined Senators Coburn, McCain and then-Senator Obama a few years ago to pass the Federal Funding Accountability and Transparency Act. My colleagues and I put forward this legislation to increase the transparency and accountability of the federal government by providing access to information on federal spending through a single, searchable, publicly available web site. However, GAO recently released an evaluation of USAspending.gov - the web site created as a result of our bill – and it seems there have been some problems. For example, GAO stated that there were widespread inconsistencies between the information provided on USAspending.gov and the actual physical records of transactions. Further, OMB apparently does not hold agencies accountable for ensuring that information placed on the site is accurate and reliable. So before we start pushing agencies to spend time and money on releasing more information, let's make sure the information we have is reliable and accurate.

In closing, then, I'll add that, as we discuss all of the new and exciting initiatives that the Administration has underway - or plans on undertaking in the near future - we should keep our eye on the ball. Our job doesn't just end at making information freely available, but in making sure the information can be effectively used to improve services to every American, reduce wasteful spending, and enforce accountability.

Again, my thanks to our witnesses for taking their time to be here today and for sharing their ideas on this important issue.

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STATEMENT OF SENATOR JOHN MCCAIN, RANKING MEMBER

SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT,
GOVERNMENT INFORMATION, FEDERAL SERVICES AND
INTERNATIONAL SECURITY

COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS

"Removing the Shroud of Secrecy:
Making Government More Transparent and Accountable"

March 23, 2010

Thank you, Chairman Carper, for holding this hearing. I join you in welcoming our witnesses today to examine recent efforts to make the federal government more open and accountable.

Recent polls have shown that the average American's trust in the federal government is at an all time low. Who can blame them when every day there are new reports of out of control spending, back room legislative deals, and the continued influence of lobbyists and special interests over policymaking.

An important step in regaining that trust is giving the average citizen the ability to know what their government is doing on a daily basis. For too long, however, the American people have heard politicians make considerable promises for openness and transparency without actually delivering on them.

In 2006, Chairman Carper, Senator Coburn, and I worked alongside other Senators to try to turn other's rhetoric into real results with the introduction and ultimate passage of the Federal Funding Accountability and Transparency Act of 2006. The Act was intended to expose the details of how the federal government awards over $1 trillion in contracts and financial assistance grants each year.

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According to a recent Government Accountability Office report released this month, however, the Office of Management and Budget is still struggling to fulfill all of the requirements set forth in the Act. For instance, USAspending.gov is statutorily required to include subcontractor data, yet OMB is over a year late in making this information available on the website. GAO also reported that federal agency compliance with their responsibilities outlined in the law have been lacking. It found numerous examples where funding data on the website was inconsistent or incomplete when compared to agency records.

Unfortunately, this is not the only open government initiative falling short because of slow or poor execution. Other transparency efforts such as Earmarks.gov and Recovery.gov have been criticized for their lack of reliable data, timely information, and intuitive design. Also, recent news articles, comparing agency compliance to the Administration's own Open Government directives, have criticized the level of policy guidance and agency accountability in place thus far.

These are not voluntary initiatives, but rather Executive directives or statutory requirements. Deadlines must be met, data must be accurate and complete, and agency accountability must be enforced. GAO's report reminds us that good policy and good intentions do not, in and of themselves, achieve successful results. Whether there needs to be more guidance provided by OMB, more accountability required by the agencies, or both, it is clear that more work needs to be done.

I'm looking forward to a constructive discussion with our witnesses. Thank you, Mr. Chairman.

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FOR IMMEDIATE RELEASE

TOM CARPER

UNITED STATES SENATOR · DELAWARE

FOR RELEASE: April 13, 2010
CONTACT: Emily Spain (202) 224-2441

SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT INFORMATION, FEDERAL SERVICES, AND INTERNATIONAL SECURITY

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

HEARING: "Removing the Shroud of Secrecy: Making Government More Transparent and Accountable Part II"

Opening Statement of Senator Thomas R. Carper, Chairman

My thanks to our guests and witnesses for being here today. For the next hour or so we are going to discuss ways that President Obama and his team of "Open Government" experts can reshape old and inefficient bureaucratic agencies into lean, mean, citizen-focused machines. We had hoped to hear from our panel of witnesses today a few weeks ago, but there were larger issues at play and unfortunately we had to take a rain check.

But before the hearing ended early last month we were able to hear from the Administration's top officials leading the Open Government Initiative. I applaud the Administration for releasing guidance to reduce wasteful agency spending, make senior leaders more accountable, and improve the lives of everyday Americans. It shouldn't be a talking point any more that agencies should be as transparent and accountable as possible. Change needs to start at the top.

Now that we have an opportunity to hear from our panel of outside experts I hope to finish the discussion we started a few weeks ago and learn what areas the Administration is doing well, what areas may need some more attention; and more importantly, how making agencies more open and transparent will make the lives of 300 million Americans better.

Just to recap why this hearing is important, every year agencies spend nearly one trillion dollars on contracts, grants, and loans. Yet it seems like every week or so we receive another report from outside watchdogs like the Government Accountability Office or an agency Inspector General outlining significant wasteful and inefficient spending.

At a time when everyday Americans are trying to keep from losing their job or from foreclosing their home, the federal government should lead by example and not by exception.

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I like to tell my staff, "If it isn't perfect, make it better." I believe that phrase can also be applied here. There is more that both the Administration and Congress can do to make sure we are spending Americans' hard-earned tax dollars wisely and we need to work together to get it done. The American people demand it.

In closing, then, I'll add that, as we discuss all of the new and exciting initiatives that the Administration has underway - or plans on undertaking in the near future - we should keep our eye on the ball.

Our job doesn't just end at making information freely available, but in making sure the information can be effectively used to improve services to every American, reduce wasteful spending, and enforce accountability.

Again, my thanks to our witnesses for taking their time to be here today and for sharing their ideas on this important issue.

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Post-Hearing Statement for the Record
From Senator Roland W. Burris

"Removing the Shroud of Secrecy: Making Government More Transparent and Accountable Part II"
April 13, 2010

I am pleased to be here today with you and this distinguished panel of witnesses. There is no doubt that the private and non-profit sectors have much to contribute to the discussion of how to best increase citizen participation in government operations.

The importance of open and transparent government cannot be overstated, and I would like to thank the Chairman for his dedication to these issues. I will note for the record that his legislative agenda demonstrates a real commitment to bringing greater transparency and accountability to government operations and spending of taxpayer dollars.

My only concern with this important initiative is making sure we are promoting the participation of underserved and low-income communities where internet access is limited and awareness of the Open Government Directive is non-existent.

As we discuss the importance of citizen input in determining what information to share and how best to present it, we need to reach out to all communities. If the end goal is full citizen participation, we must make sure all socioeconomic groups are included from day one.

I look forward to the testimony of today's panelists and hope to see continued progress in fulfilling the Open Government Directive.

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EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503
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STATEMENT OF VIVEK KUNDRA
FEDERAL CHIEF INFORMATION OFFICER,
ADMINISTRATOR FOR ELECTRONIC GOVERNMENT AND INFORMATION TECHNOLOGY
OFFICE OF MANAGEMENT AND BUDGET

BEFORE THE
SENATE HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS
SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT INFORMATION, FEDERAL SERVICES, AND INTERNATIONAL SECURITY

March 23, 2010

Removing the Shroud of Secrecy: Making Government More Transparent and Accountable

Good afternoon, Chairman Carper, Ranking Member McCain, and members of the Subcommittee. Thank you for providing me with the opportunity to testify about how this Administration is working to make Government more transparent and accountable for the American people.

Changing the Default Setting of Washington

This Administration is laying a new foundation that changes the default setting of government from being closed, opaque, and secretive to becoming open, transparent, and participatory. I'd like to talk about Open Government, not as an abstract notion or idea, but specifically how it is driving innovation, improving government performance, and changing the way we serve the American people.

Driving Innovation

Opening our Government allows us to drive innovation by drawing upon the knowledge of all Americans, not just those inside the four walls of Washington. The Federal Government doesn't have a monopoly on the best ideas, nor does it have unlimited resources. We have seen how third parties can create tremendous value when given the opportunity, whether by leveraging private sector platforms or public sector platforms.

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Apple has created a platform that allows third party developers to build innovative applications for iPhone users. To date, over 150,000 applications have been developed, more than Apple alone could have created.

The Department of Defense released GPS data, originally envisioned as only being useful to the military. This decision sparked an explosion of new innovations by third parties in the private sector. GPS technology touches the lives of many Americans on a daily basis, from helping us reach our destinations anywhere in the country to helping first responders save lives.

Democratizing Data

In the same way GPS has transformed our everyday lives, we're unlocking the value of public data through Data.gov. We launched Data.gov on May 21, 2009 with just 47 datasets; now, there are over 169,000 datasets on every aspect of government operations, from health care data to public safety information.

The Administration is focused on providing data that the American people will find to be directly beneficial. We are releasing high-value datasets to increase agency accountability and responsiveness; improve public knowledge of the government and its operations; create economic opportunity; or respond to need and demand as identified through public consultation.

In just ten months, third-parties have already created tremendous value by leveraging the Data.gov platform.

For example "ThisWeKnow.org" empowers citizens by presenting Government data in an easy to understand and consistent manner. Anyone can view cancer rates in San Diego, CA, or the level of toxicity in Beaufort, NC, or the number of bills introduced by Members of Congress since 1993 in Los Alamos, NM by simply typing in a zip code.

Researchers at Rensselaer Polytechnic Institute are using Data.gov to answer key public policy questions. For instance, they have combined data from multiple countries to shine light on how much foreign aid different countries receive and the sources of that funding.

"FlyOnTime.us" allows travelers to see arrival times for flights on major commercial carriers and to check wait times in line, using data from the Department of Transportation.

Many State, local, and international governments, including: City of San Francisco, the District of Columbia, the City of New York, the State of California, the State of Utah, the State of Michigan, the Commonwealth of Massachusetts, and the United Kingdom are democratizing data to serve the public.

I recently visited San Francisco to help launch the nationwide Open311 Initiative. Open311 will enable people to track the status of repairs or improvements, while also allowing them to make new requests for services. For example, people can use the same application in their hometown to report a broken parking meter as they would when travelling to a city like San Francisco. Other cities are joining the

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national Open311 movement, including Boston, Chicago, the District of Columbia, Los Angeles, and Seattle.

Challenge Competitions and Prizes

Opening the Government also allows us to tap into the ingenuity and innovative spirit of the American people to solve some of the most difficult problems this Nation faces.

The concept of challenge prizes goes back to at least the 18th century, when the British Government wanted to tackle a seemingly insurmountable problem at the time. Ships at sea were unable to accurately measure their longitude, making transoceanic voyages high-risk endeavors. So, in 1714, the British Government offered a cash prize of £20,000 to anyone who could develop of method precisely calculating a ship's longitude. The prize motivated clockmaker John Harrison to develop the marine chronometer, which solved the problem in a simple and efficient way.

To enable larger breakthroughs, faster time to market and lower costs, Eli Lilly has successfully tapped into the wisdom of the crowds by creating "prediction markets" that predict the outcome of drug trials. Procter and Gamble gets over 35% of its new product ideas from outside the company by leveraging a "virtual innovation network" that connects employees to scientists around the world.

In the fall of 2009, the President launched the SAVE Award, which offers every Federal employee the chance to submit their ideas for how government can save money and perform better. Over 38,000 submissions were received, and, in an online vote, over 84,000 votes were received on the best ideas to improve performance and save money. The winning submission came from Nancy Fichtner, a Fiscal Program Support Clerk from Loma, Colorado, who saw a way to both save money and reduce unnecessary waste in the Veterans Affairs (VA) hospital system. VA hospitals were disposing of unused portions of medication upon patient discharge, and Nancy pointed out that these medicines could instead be provided to veterans who need them on an outpatient basis.

To increase the use of prizes and challenges, OMB released guidance[1] this month to advance open government, innovation, and other national priorities.

Going forward, the Administration is launching a Challenge Platform to facilitate innovation through challenges and prizes. The platform will allow the government to identify problems (the "challenge") and invite the public to collaborate and propose solutions. Judges will evaluate the proposed solutions and prizes can be provided to the most innovative or game changing solutions.

[1] M-10-11 (Guidance on the Use of Challenges and Prizes to Promote Open Government)

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Improving Government Performance

As the President said in his inaugural speech "those of us who manage the public's dollars will be held to account, to spend wisely, reform bad habits, and do our business in the light of day, because only then can we restore the vital trust between a people and their government."

IT Dashboard

In June of 2009, we launched the IT Dashboard, which allows the American people to monitor IT investments across the Federal Government. The IT Dashboard, which has already received over 94 million hits, shines light into the operations of the Federal Government. What the release of the IT Dashboard has shown us is that there is a clear relationship between transparency and increased accountability.

For example, in July of 2009, the Department of Veterans Affairs (VA) halted 45 IT projects that were significantly behind schedule or over budget, identified in part thanks to the IT Dashboard. During the next six months, after making significant changes in how the projects were managed, VA restarted 32 of these projects, stopped 12, and continued reviewing one. In doing so, the VA avoided $54 million in wasteful spending during fiscal year 2010.

TechStat Accountability Sessions

Building on the foundation of the IT Dashboard, we launched TechStat Accountability Sessions in January of 2010. A TechStat Accountability Session is a face-to-face, evidence-based review of an IT program with OMB and agency leadership, powered by the IT Dashboard and input from the public. TechStat sessions enable Government officials to collaborate with one another to turn around, halt, or terminate IT investments that do not produce dividends for the American people. Investments are carefully analyzed with a focus on problem solving that leads to concrete action to improve performance.

The inaugural TechStat session, held on January 13, 2010, reviewed a financial management program at the Environmental Protection Agency (EPA), which was both significantly behind schedule and over budget. At the session we unearthed several issues around the performance of the program, including high leadership turnover, poorly defined goals, and a lack of a shared vision across the program team. The TechStat session resulted in corrective actions, such as a new alternatives analysis, a permanent project manager, and greater collaboration with the agency Chief Financial Officer and Chief Information Officer.

Tracking the Progress of Federal Rules and Regulations

Rules and regulations are critical to the operation of Government; yet accessing them often requires navigating a maze of complex bureaucracies and websites. Under the leadership of Cass Sunstein, Administrator, Office of Information and Regulatory Affairs (OIRA), the Administration launched the OIRA Dashboard, which allows the American people to track the progress of Federal rules and regulations that have been submitted for review.

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Through intuitive graphical user displays, the OIRA Dashboard makes it easier for users to identify the rule or category of rules they are interested in, and allows them to monitor progress. Rules can be sorted by agency, length of review, state of rulemaking, economic significance, and compared with other proposals to support detailed analysis by the public.

Declassification of the Description of the Comprehensive National Cybersecurity Initiative

Open Government is also particularly vital in areas, such as the Comprehensive National Cybersecurity Initiative (CNCI), where there have been legitimate questions about sensitive topics like the role of the intelligence community in cybersecurity. Such transparency provides the American people with the ability to partner with Government and participate meaningfully in the discussion about how we can use the extraordinary resources and expertise of the intelligence community with proper oversight for the protection of privacy and civil liberties.

The CNCI is designed to help secure the United States in cyberspace from potential threats, both foreign and domestic. In March of 2010, the Administration revised the classification guidance for the description of the Comprehensive National Cybersecurity Initiative (CNCI). Anyone can now view or download an unclassified description of the CNCI and each of the 12 initiatives under the CNCI.

Changing the Way We Serve the American People

As we continue to drive innovation and improve government performance through open government initiatives, we must never lose sight of the fact that, ultimately, we are taking these actions to provide better service to the American people.

To assist people in navigating the citizenship application process, the U.S. Citizenship and Immigration Service (USCIS) has enabled applicants for citizenship to track the status of their application much in the same way as they would track a package via FedEx or UPS, using a receipt number that follows the process from initial application to the scheduling of a final appointment to take the Oath of Allegiance.

To provide the latest updates on recalls affecting products that American families use every day, such as motor vehicles, food, medicine, and cosmetics, six federal agencies have combined to create Recalls.gov. Recalls.gov can also be used to determine the appropriate agency to contact for reporting product defects.

To make it easier for veterans to get medical care, VA is using telehealth technologies to check symptoms and measure vital signs for veterans at their homes through regular telephone lines.

To improve access to education, the Department of Education is modernizing and streamlining its application process and eligibility determination system (AID), building on the success of efforts to simplify the Free Application for Federal Student Aid (FAFSA) process. FAFSA has

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already made it easier for students applying for financial aid through the elimination of 26 questions from the older forms.

To provide important health information to the public, such as up-to-the-minute updates on influenza activity or an online Diabetes risk test, the Centers for Disease Control and Prevention (CDC) has developed "widgets" that may be embedded on any website.

To provide updates on emergency preparedness information, CDC is also using Twitter feeds. Today, CDC has more than 1.25 million following its Twitter feeds. CDC is also using social media offerings such as Facebook, Myspace, YouTube, Flickr, and iTunes to improve public access to its services.

Challenges and Risks

As we continue to open up our Government, we must balance our decisions with protecting the privacy of the American people, safeguarding national security, and maintaining the government's ability to effectively negotiate contracts and make policy.

Protecting the security of the American people and maintaining strategic advantage over those who would do harm to us is a fundamental responsibility of the Federal government. As we make more of our data available, we must be ever more vigilant in ensuring that national security interests are not put at risk nor the privacy of our citizens threatened. Individual pieces of data when released independently may not reveal sensitive information but when combined, this "mosaic effect" could be used to derive personal information or information vital to national security.

In an increasingly inter-connected environment, the greatest care must be taken to protect personally-identifiable information from access by the wrong parties. Far from being limited to credit card data and social security numbers, there is a wide range of data which, if obtained by malicious parties, could be used for the purposes of identity theft, or could cause other harm or embarrassment to individuals.

To improve the quality of Government information available to the public, OMB's Open Government Directive requires agencies to take specific steps to ensure high data quality. The directive requires that agencies designate a high-level senior official to be accountable for the quality, objectivity of, and internal controls over, Federal spending information publicly disseminated through venues as USAspending.gov and similar websites.

In addition, the Administration has prepared a framework upon which agencies will build plans including details of the internal controls implemented over information quality, including system and process

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changes, and the integration of these controls within the agency's existing infrastructure[2]. Initial plans are due from the agencies on April 14, 2010.

To provide better insight into federal spending, we will launch an improved USAspending platform. In addition, OMB will release a strategy for sub-award reporting on April 7.

The Power of Open Government

As we balance security and privacy with open government, we are just at the beginning of what can be accomplished.

Imagine the release of thousands of additional data sets on Data.gov, spurring new economic opportunities, creating innovative business models and potentially transforming entire industries.

Imagine enterprising Americans and government officials working virtually alongside one another to co-create the next generation of public services.

Imagine the creation of dashboards on demand to shed new light into the performance of government operations, such as the delivery of healthcare services, the processing of taxpayer refunds, or the delivery of benefits to veterans.

Imagine the American people having access to citizen services such as making an appointment to get a passport, applying for social security benefits, or obtaining a student loan from anywhere and at anytime through mobile platforms, securely and with their privacy assured.

Imagine the American people having the ability to provide direct feedback to the public officials delivering those services, to better hold their government accountable, and to improve the quality of government services.

Conclusion

Open Government isn't just an abstract notion; it's a new way to do business in Washington. The Obama Administration is committed to making the Federal Government work better for the American people. Through initiatives like Data.gov, the IT Dashboard and TechStat, we are laying a new foundation that changes the default setting of government from being closed, opaque, and secretive to becoming open, transparent, and participatory.

Thank you again for the opportunity to appear today and I look forward to answering your questions.

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[2] http://www.whitehouse.gov/omb/assets/memoranda_2010/m10-06.pdf

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Testimony of Aneesh Chopra
Chief Technology Officer and Associate Director for Technology
Office of Science and Technology Policy
Executive Office of the President of the United States

Before
The Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security
Committee on Homeland Security and Governmental Affairs
United States Senate

Hearing on "Removing the Shroud of Secrecy: Making Government More Transparent and Accountable"
March 23, 2010

Chairman Carper, Senator McCain, and Members of the Committee, it is an honor to appear before you today.

Since the first day of his Administration, President Obama has been committed to creating an unprecedented level of openness in government, working to ensure the public trust through establishing a system of transparency, public participation and collaboration.

As Assistant to the President, Chief Technology Officer, and Associate Director for Technology in the Office of Science and Technology Policy, I am pleased to provide an update on these efforts and the Administration's Open Government Initiative. This update builds upon the Open Government Progress Report to the American People that was published in December of 2009.

The Open Government Initiative is representative of the effort that I am focused on to harness the power and potential of technology, data and innovation to transform the nation's economy and improve the lives of everyday Americans.

I. Open Government Progress

In December, OMB Director Peter Orszag published the President's Open Government Directive to hardwire accountability, access, and public participation into government operations. The development of the Directive demonstrated in practice our commitment to public participation, when over the course of a month-long pilot initiative held in the summer of 2009, we were able to demonstrate the benefits of emerging technologies such as blogs, wikis, and "crowdsourced" ideas platforms. We attracted more than one thousand ideas and blog posts directly from the American people that informed our approach to open government.

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The Directive established an aggressive timeline for the federal government to meet specific milestones toward greater openness, and we are pleased that the federal government has responded enthusiastically, hitting key milestones in January and February of this year. These milestones included the publication of at least three new, high-value data sets on Data.gov and the creation of open-government websites on each agency website. In conjunction with these efforts, we are also adopting new technologies that, subject to valid requirements pertaining to security, privacy, and confidential, will help promote open government.

In addition, the Directive charged the Office of Management and Budget with developing – within 90 days – a framework for how agencies can use challenges, prizes and other incentive-backed strategies to find innovative or cost-effective solutions to improving open government. Even before the development of this framework, agencies such as DARPA and NASA, the Department of Energy, and the Department of State have been using challenges and prizes to tap into the collective wisdom of the American people and find innovative solutions to some of our country's most difficult challenges. On March 8th, OMB issued the new "Guidance on the Use of Challenges and Prizes to Promote Open Government", "strongly encouraging" agencies to proactively leverage these under-utilized policy tools to promote open government, innovation, and other national priorities."

Before the ink had dried on the new OMB Guidance on Prizes and Challenges, the First Lady announced a prize to enlist top innovators in the fight to end childhood obesity. In a speech before the National Parent Teacher Association, First Lady Michelle Obama announced the launch of the *Apps for Healthy Kids* competition, the latest component of the *Let's Move!* campaign. The initiative grew out of an OSTP-led Open Government rollout in December, where USDA made nutritional data available for free download on Data.gov. *Apps for Healthy Kids* challenges game developers and software developers to leverage these data to develop innovative, fun, and engaging tools and games that help kids and their parents to eat better and be more physically active. In a letter to the 17,000 attendees of the Game Developers Conference 2010, the First Lady recognized that the Federal Government cannot end childhood obesity by working alone. "You know better than most the power of games to deeply engage our Nation's youth," the First Lady wrote. "Today I am asking you to dedicate your creative energy and skills to address one of America's biggest challenges and help make healthy living fun, exciting, and relevant for kids."

The Directive also called for both me and the Federal Chief Information Officer, my colleague Vivek Kundra, to create an Open Government Dashboard. The Dashboard tracks agency progress on five deliverables set out in the Directive: 1. Publication of High-Value Data Sets; 2. Data Integrity; 3. Creation of "Open" Webpages; 4. Public Consultation and Feedback; and 5. Development of Open Government Plans. Most government agencies have met expectations on the first four deliverables and the fifth deliverable, open government plans, will be due on April 7th. These plans will contain five components: 1. Transparency, including records management and FOIA; 2.

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Participation; 3. Collaboration; 4. Agency flagship initiatives; and 5.Public and Agency Involvement.

When we unveiled the Dashboard on February 9th, we also indicated that we had a unique opportunity to encourage agencies to go above and beyond in completing the development of Open Government Plans. To guide agencies and encourage a race to the top, a series of "Leading Practices" has been developed. Agencies can be recognized on the Dashboard for "Leading Practices" in up to four areas: 1. Leadership, Governance and Culture Change; 2. Transparency; 3. Participation and Collaboration; and 4. An Agency's Flagship Initiative.

In addition to these initiatives being undertaken by the federal government, independent efforts are also underway to develop technology platforms to support open government. The American Association for the Advancement of Science announced last fall the launch of Expert Labs, an effort that uses technology to assist citizens in providing input to the federal government. Aimed at leveraging social networking technologies to tackle a wide range of public policy challenges, these technology platforms would tap into expertise from scientists, technologists and the public at large. These technologies have tremendous potential to help tap into the collective expertise of our country to solve some of society's biggest challenges, and the Office of Science and Technology Policy has committed to pilot potential science and technology test cases to further these efforts.

II. Open Government for National Priorities

The principles of open government – accountability, access, and public participation – are also being applied to national priorities to improve the development of government policy. In the areas that I will highlight today, improvements to government policies will result in demonstrated benefits to the American people.

Innovation

Innovation is one of these priorities, serving as a foundation for the economy by fostering new jobs, new businesses and new industries. Building upon the President's Strategy for American Innovation that was released last September, I am pleased to announce that the Defense Advanced Research Projects Agency (DARPA) will begin providing data on awardees in the Small Business Innovation Research (SBIR) program that utilize a streamlined process for contracting, and will extend this streamlined process to future SBIR solicitations. The SBIR program is one of the major Federal government programs used to support innovative technologies in America – yet the paperwork is cumbersome, lengthy and time consuming. These new steps represent a significant improvement – think of this as the 1040 EZ for federal government innovation grants. Initially, DARPA will display data on the number of awardees that are eligible for this streamlined process, how many awardees opted to utilize this process, and the average number of days it took to complete the streamlined agreement. In addition, the next round of DARPA's SBIR

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solicitations, scheduled for April 21st, will for the first time announce the wide availability of this streamlined option.

Typically contracting would take from 5 to 6 months to complete, but we believe that the streamlined approach will take on average less than 60 days. This represents a 60 to 70% reduction in the time and cost, saving small businesses tens of thousands of dollars and letting them get to work months faster.

By taking these steps, the Federal government is matching young, innovative companies responsible for creating new technologies, new jobs and America's future economic growth with federal funding that meets their needs.

Energy

Open government is also helping our country meet the future energy needs of America. Between February 23rd and March 12th, in conjunction with the National Institute of Standards and Technology (NIST), we held the Smart Grid Forum, an on-line forum focused on the nation's energy consumers with an emphasis on spurring innovation in smart grid products and services. We invited our country to contribute their solutions to some of the most challenging smart grid goals that we have – from deployment of smart grid solutions, to development of standards needed for information exchange, to ensuring cybersecurity in the smart grid.

We received comments from over 130 individuals and organizations that were viewed over 5000 times in three topic areas: data architecture, data access and ownership, and appliance standards. This input will be used to inform the Administration's efforts to enable deployment of a Smart Grid that will benefit consumers, utilities, and communities – as well as to help us achieve our national goals for energy and the environment.

Education

Improving our nation's education system and how we educate future Americans is a challenge also being met by open government. On February 15th, Education Secretary Arne Duncan announced the launch of the Open Innovation Web Portal, bringing together key stakeholders in education, including those who previously had little voice or way to elevate their idea, to share innovative ideas and collaborate to turn those ideas into reality. The Open Innovation Web Portal is a trial initiative that has engaged many stakeholders in education – teachers, school administrators, parents, foundations, nonprofit organizations, and the American public – to develop the innovations the country will need to meet President Obama's goal to be the nation with the highest percentage of college-education citizens. The Department of Education has posted an initial set of challenges to engage the community around the department's priorities, including human capital and data.

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The Department of Education has also released a draft National Education Technology Plan in early March, presenting a model of 21st century learning powered by technology that is focused on five areas: learning, assessment, teaching, infrastructure and productivity. In releasing this draft, the Department of Education has committed to engaging all stakeholders by encouraging stakeholders to submit comments online on every section of the Plan.

III. A New Vision for Open Government

Today, we can see examples of how open government initiatives are transforming the very nature of our government, and how the government interacts with the public at large.

The Department of Veterans Affairs demonstrates this potential. An Innovation Initiative website, in collaboration with the Office of Science and Technology Policy, was recently launched for the Veterans Benefit Administration (VBA) to allow employees to participate in improving the performance of VBA.

One example of the participation that occurred is the experience of Todd Bonn. Todd is a dedicated Veteran Service Representative from VBA's regional office in Togus, Maine. He was concerned that certain performance metrics for service representatives did not align well to the Agency's goals of reducing the notorious claims backlog. So, when Todd heard about President Obama's challenge to "think out of the box" and dramatically improve claims processing, he decided this was the opportunity to not only identify the problem, but to propose a solution – a solution he submitted to the Innovation Initiative website.

Todd wasn't alone in his participation: VBA received over three thousand ideas, and six thousand comments, from seven thousand participants. These ideas were collected from around the country, and top managers at each of VBA's 57 Regional Offices, including Todd's leaders in Togus, Maine, nominated one or two ideas for consideration by the Department of Veterans Affairs. The national leadership chose seventeen to prepare "business plan" proposals for consideration by a panel of national leaders that included Craig Newmark from Craigslist.

The final panel selected ten ideas to be implemented immediately, and that's what you've been reading about in the papers recently. In fact, VA has launched their second innovation competition – this one focused on health informatics – and they are in the final stages of preparing their third competition this summer, which will include private sector participation.

Here's the best part: Todd's winning idea, recognized in a ceremony by Secretary Shinseki, only requires a little time to reprogram a performance database, and doesn't cost the government any money. VA anticipates seeing a fully functional implementation of his idea this summer. Todd's idea is yet another way that the Administration is

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meeting the challenge of defeating the backlog, and lowering the average days to complete claims.

The Federal Communications Commission also demonstrates this potential. Through a new website, at reboot.fcc.gov, the FCC is actively soliciting input on improvements both internally from employees and from the public at large. In creating the National Broadband Plan, the FCC held more than 36 public workshops with more than 350 expert panelists from government, the private and non-profit sectors, and academia, and streamed these workshops online, reaching more than 10,000 people who either attended in person or online. Through extensive use of social media, including communication with its 330,000 Twitter followers (the third most of any federal agency), 130 blog posts, and a crowd sourcing platform, more than 450 ideas for the Plan were submitted to the FCC, generating more than 7,500 comments and 37,000 votes, all online. These efforts were further refined with a data collection process of 31 public notices, generating 23,000 comments and roughly 74,000 pages of public record. These numbers demonstrate the tremendous amount of citizen engagement – but the numbers don't tell the whole story: the end result was the National Broadband Plan that was released last week.

Times of crisis also demonstrate this potential. In response to the earthquake in Haiti, the State Department worked with public and private organizations including Ushahidi, FrontlineSMS, InSTEDD and the Government of Haiti to establish an emergency text messaging service called "Mission 4636". This effort demonstrated the power of crowdsourcing and distributed technology networks by allowing Haitian survivors to report their needs and location on their cell phones. This service also pushed vital news and information to survivors, and allowed a global network of volunteers to provide real time translation of Creole into English and other languages – with more than 14 countries involved in translations – and most responses occurring within 10 minutes. The 4636 SMS code at its peak responded to over 10,000 requests daily, and today is being managed and run by Haitians.

In conclusion, open government is being used to tackle and address some of the many policy challenges that our nation faces today, helping to build a 21st century government and a 21st century economy for our country.

I welcome any questions that the Committee may have.

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TESTIMONY OF DAVID S. FERRIERO

ARCHIVIST OF THE UNITED STATES

BEFORE THE SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT INFORMATION, FEDERAL SERVICES, AND INTERNATIONAL SECURITY

OF THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

ON

"REMOVING THE SHROUD OF SECRECY: MAKING GOVERNMENT MORE TRANSPARENT AND ACCOUNTABLE"

MARCH 23, 2010

Chairman Carper, Senator McCain and members of the Subcommittee, I am David S. Ferriero, Archivist of the United States. Thank you for inviting me to participate in this hearing on making government more transparent and accountable. The last time I appeared before you was at my confirmation hearing last September, so it is truly an honor to return. I would also like to thank you for the opportunity to testify alongside two visionary leaders whose work I deeply admire, our nation's Chief Information Officer, Vivek Kundra, and Chief Technology Officer, Aneesh Chopra.

As this Subcommittee knows, on December 8, 2009, President Obama issued the Open Government Directive with the aim of making our government more accessible and accountable to the citizenry by improving transparency, public participation, and collaboration in and among federal agencies. This directive was enthusiastically received by the National Archives and Records Administration (NARA), for the core of our mission is serving democracy by providing access to the essential documentation of the rights of American citizens and the actions of their government.

NARA's own Open Government plan describes how we are providing guidance and services to assist federal agencies with carrying out their plans.

- **Our Records Management Program** (www.archives.gov/records-mgmt/) provides guidance for agencies on the records management issues highlighted in the Open Government Directive.

- **Our National Declassification Center** (www.archives.gov/declassification) is taking a leadership role in ensuring that over 400 million pages of classified records in NARA holdings are declassified and made available to the public by the end of 2013. It will take

the lead in streamlining the declassification process throughout the Federal Government by establishing common standards, policies, and training for all Federal agencies.

- **Our Office of Government Information Services** (www.archives.gov/ogis) has provided a Questions and Answers on the Open Government Directive: http://www.archives.gov/ogis/open-gov-directive-qa.pdf. This outlines transparency issues that are relevant to the Freedom of Information Act (FOIA) community, including what the public may expect to see as a result of the Directive.

- **Our Information Security Oversight Office** (www.archives.gov/isoo) plays an important role in open government by overseeing the implementation by agencies of the President's program to classify, safeguard, and declassify national security information. Striking the balance between protecting classified information and meeting the goals of transparency is a daunting, but important challenge.

Records Management: The Backbone of Open Government

The backbone of a transparent and accountable government is good records management. To put it simply, the Government cannot be accountable if it does not preserve – and cannot find – its records. I am concerned, however, that across the government we are falling short in our records management responsibilities, particularly in regard to the exponential growth in electronic records. The long-term success of the Open Government initiative – and the future of the National Archives – hinges on the ability of each Federal agency to effectively manage their records.

At the National Archives and Records Administration, our records management approach is grounded in these three principles:

- Federal agencies must economically and effectively create and manage records necessary to meet business needs,

- Federal records must be kept long enough to protect rights and assure accountability, and

- Federal records of archival value must be preserved and made available for future generations.

More tactically, we have a National Records Management Program made up of nearly 100 full-time staff members located in the Washington, DC area and around the country. These records and information management professionals actively work with the Federal records officers in over 250 different Federal agencies across the Federal Government.

These staff members develop electronic records management policy and guidance for Federal agencies. They provide records management training to Federal records officers, IT professionals, legal counsels, program managers, and private contractors who provide records management services to Federal agencies. They conduct studies and analyses of recordkeeping practices in Federal agencies so others can learn best practices and avoid the costly mistakes of

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others. These staff members also work with Federal records officers to conduct self-assessments of their agencies' records management programs, using the Archivist's statutory authority to conduct inspections and report findings to the appropriate oversight committees and the Office of Management and Budget (OMB).

These staff members also work with the over 250 active Federal agencies (or agency components) to schedule and appraise the records that each agency creates. Working with Federal records officers, our staff schedule and appraise these records to ensure adequate and proper documentation of our Government's actions. This statutory authority – to grant Federal agencies disposition authority to manage their records – is the most important responsibility I exercise as Archivist of the United States, because it determines what records will come to the National Archives for preservation and access by future generations. I am grateful for the outstanding contributions NARA's National Records Management Program staff members make on behalf of our agency and our Government on a daily basis.

Given that the central values of Open Government are transparency, citizen participation, and collaboration, and that records management is the backbone of Open Government, the central question is: What is needed to ensure that the Open Government values are realized and that NARA's mission is accomplished, at least with respect to Federal records management?

First, Heads of Agencies and senior leaders across the Federal Government need to understand that the records and information they and their organizations are creating are national assets that must be effectively managed and secured so that the public can be assured of the authenticity of the record. Heads of Agencies and senior leaders need to be held accountable for managing these assets. Not only is it required by law in the Federal Records Act; effective records management – adequate and proper documentation of the Federal Government's activities and transactions – is Good Government and a necessary condition of an Open Government.

Today, Federal agencies are not doing an effective enough job managing their records and other information assets to meet their business needs; to protect rights or assure accountability for the citizen or the Federal Government itself; or to ensure records that document the national experience are preserved and made available for future generations in the National Archives.

Earlier, I mentioned my statutory authority to conduct records management inspections and studies, and then report findings to Congress and OMB. In the next thirty days, NARA plans to send Congress and OMB a report based on agency self-assessments carried out in September 2009 and on analysis of other data related to compliance with records scheduling requirements in the Federal Records Act and the E-Government Act of 2002. Our preliminary analysis of the self-assessment data alone suggests that 79% of reporting agencies have moderate to high levels of risk associated with their records management programs, particularly their management of electronic records. These levels of risk in agencies are a great concern to me. One of the central ways we can begin to deal with this risk is to make the case that these records and information are national assets, and then hold Heads of Agencies and senior leaders accountable for their management and protection.

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Second, as Agency Heads and senior leaders are held accountable for managing their records and information, they also must work with NARA, OMB, and GSA, as well as with groups like the CIO Council, the Federal Records Council, and the Federal Web Managers Community, to develop the IT tools necessary to manage electronic records in cost effective ways.

The technical challenges associated with developing the IT tools for records management are not insignificant; however, these tools do not exist today because Heads of Agencies and senior leaders across the Federal Government have not been held accountable in meaningful ways for meeting their Federal records and information management obligations. The Federal Government spends over $70 billion annually on information technology, most – if not all – of which create or receive Federal records in some form. Developing cost effective electronic records management tools that work – and then integrating them into agency IT systems – is essential to managing this national asset.

Toward this end, I look forward to building on existing work done by the leading information policy agencies like OMB and GSA – as well as formal advisory or policymaking groups like the CIO Council, the Federal Records Council, and others – to increase visibility and raise accountability around the electronic records management issue. With these other agencies and groups, NARA will take a leadership role finding and developing the cost effective IT solutions needed to meet the electronic records management challenges found in Federal agencies today. I look forward to our continued partnership with Vivek Kundra, as the Federal Government's CIO and the Director of the CIO Council, on this important work. Building on his professional expertise, and the combined wisdom of the CIO Council and the Federal Records Council, I am sure we can find, develop, and help ensure agencies deploy cost effective solutions to this challenge.

Improving NARA's Web and Data Services

Finally, I would also like to highlight a major NARA initiative to advance the President's Open Government Directive by developing web and data services that are worthy of the American people.

Openness at the National Archives is fundamentally about the vital role that records play in our democracy. The character of this role is changing as Government is seen more and more as a platform for citizens to use to develop tools and services. Records, unlocked, and available online, will allow citizen developers to innovate and develop tools and services that were previously unthinkable. The National Archives, in order to foster the public's use of our records, must develop web and data services that are up to this task.

One of my first priorities as the new Archivist is to vastly improve our web site – archives.gov – in order to foster the public's use of our records. My goal is a complete redesign to maximize public participation. To do this, we will "bake" the principles of open government into our redesign process, by seeking employee and public input on how to make our website a leader in access to government records. We'll provide a public comment space on our NARAtions Blog (http://blogs.archives.gov/online-public-access) and other public feedback mechanisms.

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Additionally, we'll strive to be transparent about the process and collaborate with non-governmental organizations in designing a website for the 21st Century user.

Our first step in creating this experience will be a pilot rolled out to the public in December 2010. It will initially include all of the data from the Archival Research Catalog (ARC, www.archives.gov/arc), some of the series from Access to Archival Databases (AAD, http://aad.archives.gov/aad/), a sample of electronic records from the Electronic Records Archive and will link to archives.gov and a Presidential Library website.

Developing a new and improved National Archives web experience with a streamlined search capability is no easy task, because we already have millions of records available online; but this is what the American people expect when searching the National Archives, and, with their input, it is what we intend to deliver.

In conclusion, as Archivist of the United States and the leader of over 3,000 dedicated National Archives employees, I would like you to know that we are committed to doing all we can to carry out the National Archives mission to provide access to the essential documentation of the rights of American citizens and the actions of their government, and to build an Open Government that values transparency, citizen participation, and collaboration.

Thank you again for the opportunity to appear today and I look forward to answering your questions.

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Testimony of Ellen S. Miller, Executive Director of the Sunlight Foundation
Before the Senate Committee on Homeland Security and Governmental Affairs Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security

March 18, 2010

Chairman Carper, Ranking Member McCain, and members of the Committee, thank you for the invitation to appear before you today.

My name is Ellen Miller and I am the co-founder and executive director of the Sunlight Foundation. The Sunlight Foundation is a non-partisan non-profit dedicated to using power of the Internet to catalyze greater government openness and transparency. We take inspiration from Justice Brandeis' famous adage "Sunlight is said to be the best of disinfectants."

We are committed to improving access to government information by making as much as possible of it available online, indeed we believe it is important to redefine "public" – as in the phrase "public information" – as meaning online. We focus on creating databases and new tools and websites to enable citizens to get the information they need to be informed participants in our democracy.

We believe that transparency and openness are essential foundations for public trust; without the former the latter cannot survive. The Internet is making increased transparency cheaper, more effective, and in more demand every day as Americans come to expect instantaneous and constant access to all kinds of information.

Given the rapid technological advances in how information can be captured, stored, analyzed and shared, this is the time for all of government to rethink how it makes information available.

There are three core principles for establishing an open and transparent government.

- **Transparency is Government's Responsibility**: Transparency must first and foremost be understood as government's responsibility, private/nonprofit responses can reach only so far. Accordingly, both Congress and the federal branch must make broad changes in their information and technology policies to establish online, real time public access as a priority for virtually all the operations of the federal government.

- **Public Means Online**: Whenever the government has committed to making information public, the standard for "public" should include "freely accessible online." Information cannot be considered public if it is available only inside a government building, during limited hours or for a fee. In the 21st century, information is properly described as "public" only if it is available online, for free, in some kind of reasonably parse-able format. Almost our entire public sphere is now online, and our public information should be there, too.

- **Data Quality and Presentation Matter**: The Internet has redefined effective communications and publishing. It is an around-the-clock open medium, in which nowstandard practices include continuous, contemporaneous dissemination, permanent searchability and reusability, among other key features.

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> All information and data that the government has decided or hereafter decides should be public must be (i) posted online promptly, (ii) complete and accurate, (iii) searchable and manipulable and (iv) permanently preserved and accessible. Among these four, timeliness is particularly vital for information concerning any ongoing decision making process, such as legislation or regulation. Disclosure should move at the same pace as influence over such decisions; thus arbitrary periodic filing requirements (e.g., annual, quarterly or monthly) violate this standard and render postings less useful to facilitate public trust and participation. Fortunately, the Internet enables inexpensive real-time publishing, such as real-time updates we have come to expect for news and stock market transactions. These standards of contemporaneous disclosure are particularly important when it comes to disclosure of lobbying contacts, consideration of legislation, promulgation of regulations or awarding of grants and contracts. Asking the public to wait three months or more to find out about these kinds of disclosures is like telling a policeman investigating a robbery at a bank that they can't look at the ATM machine video tapes until three months after the crime.

Why are these improvements in transparency so important? Let me offer several interrelated reasons.

First, transparency is the basis for informed participation in self-government. In an age of Facebook and smartphones, where more and more people are connected and go online to find out what is going on around them, the citizenry has rising expectations of greatly expanded access to governmental information, so that they may play a fuller role in understanding, evaluating and participating in the workings of their government.

Our role as citizens is only as strong as our government is open. This idea is not an abstract, distant kind of public good. The actions that make up our civic lives – informed voting, active participation, analyzing – all depend on access to public information. Feeling connected to public business as it is conducted in your name is integral to full citizenship. Without that connection, citizens are left disconnected and dispirited, and substance and dialog are replaced with apathy and divisiveness.

Second, online transparency can create more accountable and efficient spending, something that governmental bodies in cities and states and here in Washington are all discovering. Texas, for example, found millions of dollars in savings through their online spending portal, by eliminating redundant or inefficient expenses. Similar sites like those from Delaware, Missouri, or the federal government's USASpending.gov represent a new norm for spending accountability.

Third, when government makes data public, it can foster whole new businesses or industries. President Obama's Open Government Directive recognizes this potential, noting that information that may "create economic opportunity" should be given special priority. While not every government dataset will have as broad an economic impact as weather information or GPS data, we should never miss such an economic opportunity out of neglect.

Fourth, and perhaps most important, open and transparent government is accountable government. When government lies to its citizens or hides information, it breeds distrust. Open information allows us to check what government is doing with our tax dollars and in our names.

Often, the mere fact of having to make information public tends to make authorities more accountable. For example, the EPA's Toxics Release Inventory has helped change the behavior of corporate polluters. The amount of information that airlines, aircraft manufacturers, pilots and others routinely provide about their daily operations to the Federal Aviation Administration helps keep the nation's air transit system the safest in the world.

By contrast, the lessons of what happens when we lack transparency are legion. Though Medicare requires hospitals to provide information to Health and Human Services about the quality of care they deliver – which can be a matter of life and death –that information is not made available to patients in any meaningful form. Patients are in the dark

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about the quality of the hospital they depend on. Yet, as the Florida Times-Union reported in March of this year, a lack of transparency in how the Department of Health and Human Services grades hospitals prevents patients from comparing them.

It is widely believed that a lack of real transparency -- retrievable, comprehensible information – led to the financial crisis. Consumers borrowed far more for homes than they could afford because mortgage disclosures didn't tell them what would happen when interest rates went up. Investors bought hundreds of billions, if not trillions, of assets based on those bad mortgages, which they believed were sure bets.

Our vision is one of a rich, vital public sphere, where politics is driven by dialog and fact, and merit drives decision-making in government.

In that spirit, Sunlight is pleased to help shape the new policies and technology that will allow all of us to benefit from a stronger democracy – creating new platforms and databases to inform and engage citizens, empowering journalists, lawmakers and public officials, investing in our social infrastructure to demand and make use of government information, and advancing the bold, responsible policies that will open our government. Let me repeat, our role as citizens is only as strong as our government is open. This isn't an abstract, distant kind of public good, but a concrete responsibility.

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Statement

Of

Robert Pinkerton

Director, Public Sector Solutions

Adobe Systems, Inc.

Before the

U.S. Senate
Homeland Security & Government Affairs Committee

Sub-Committee on
Federal Financial Management, Government Information, Federal Services & International Security

March 23rd, 2010

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Mr. Chairman & members of the Committee, thank you for the opportunity to speak with you today. My name is Rob Pinkerton and I'm Director of Public Sector solutions at Adobe Systems. Adobe is a 27-year-old U.S.-based software firm with development and business centers in California, Washington, Massachusetts, Utah, New York, Minnesota and Virginia. At Adobe we are excited about the opportunity that open government represents to vitalize the operations of government as never before. We believe that opportunity resides within the public servants of our governing institutions and the citizens they serve, and it can be unlocked by technologies evolving before our eyes. My remarks today will focus, not on technology, but on how we can best enable people to effectively utilize these new technological resources to provide transparency and improve the discrete missions of government.

Technology is a Vehicle, Not a Destination

With mass adoption of low cost, easy to use computing devices and pervasively available computing infrastructure, individual technology users have become empowered to participate in the administration of government like never before. But with this phenomenon comes a dizzying array of new technologies, seemingly new decisions and creative vocabulary for government managers to consider. The President has appointed new leadership to guide the government through these decisions and I applaud the effort. Adobe is pleased to see such clear prioritization of technology as a means to government success and fully supports the open government strategy. The balance of my remarks will be focused on suggesting frameworks and priorities the Administration and Congress can use to build upon the existing Directive and take open government to the next level.

I think that it is important to clarify that specific technology use is not the ultimate destination of open government, but rather a potential vehicle to accelerate down our path to the destination of openness and accountability. I was recently asked by a government manager in Richmond, VA how she could solicit a following on Twitter. I asked her what she wanted people to follow, and she said she wasn't sure. I asked her why she wanted to use Twitter and she said because she wanted to be transparent. I asked her what she wanted to make transparent and she also wasn't sure. But she was sure Twitter was a part of the solution. While Twitter may or not have been a part of the ultimate solution, I do not think this is the way to view open government. The discrete missions of government agencies are still the same and the needs of the constituents they serve are unique. There is no one size - or one technology decision - that fits all. The open government strategies used by the Center for Medicare and Medicaid services to become more transparent to their beneficiaries over the age of 65 may be significantly different than those employed by the Department of Veteran Affairs to serve young service men and women returning from the Middle East, because their individual technology choices and needs may be

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significantly different. For open government to be achieved, technology should be adopted that specifically amplifies the discrete missions of government. Publishing information and adopting technology for the sake of openness misses the broader opportunity of open government. Providing transparency into the components of federal spending programs to help those in need is valuable; providing transparency to enable access to those programs to those who actually depend upon them is critical. For example, an American who is out of work wants openness applied to program options and decision criteria for obtaining unemployment insurance, food stamps, job training and energy assistance, more so than an evaluation of funding priorities in the Jobs bill.

Encourage Innovation, Permit Imperfection

To enable the individuals to leverage new technologies in pursuit of the core missions of government requires leadership to encourage innovation and permit imperfection. The pace of technological change and the relative patience of techno-enabled citizens does not accommodate the traditional risk-averse technology adoption model typified by the multi-million dollar, multi-year outsourced mega project that is often times outdated on the first day of its delivery. Bottom-up innovation may contrast with the stereotype of the government. Risk aversion has traditionally ruled the technology procurement cycle because technology costs were high and skills limited. But the progress of technology offers opportunities for government to empower its community to innovate and deliver collaborative capabilities more quickly than the current system. Successes can be copied, failures abandoned at much lower cost than giant mega-tech projects designed, or too often mis-designed, for entire agencies. Government managers will decide the goals of development, but they need not dictate how the advances are achieved. A change in incentives empowered through technology can mold a cultural climate empowering government workers to take responsibility through technology.

I see this every day because of open government: Public employees formerly locked into bureaucracy are becoming the public servants they truly want to be. At the U.S. State Department, two innovative public servants conceived the Co.nx program with only a few thousand dollars, a passion for public diplomacy and a keen understanding of the ubiquitous reach of video technology. A year later they manage a weekly collaborative and open dialogue reaching tens of thousands of people around the world and showcasing American ideals from the President to the Secretary of State to senior officers in the Department.

Innovative leadership can inspire collaborative action through technology use. I recently sat on a panel with one such leader at the Department of Health and Human Services who helped conceive Flu.gov to inform the public of details of the influenza outbreak. I was delighted to hear how she collaborated with NOAA to leverage their weather information distribution network to

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reach more citizens about outbreaks. This didn't require programmatic permission; it required an understanding of how openness can amplify mission success, and a permission to innovate towards those goals. Similarly, USSOUTHCOM recently repurposed its real time collaboration system to aid the response effort in Haiti. The action did not fall within the core mission of the military, but its technical capacity to respond was the best option and it felt accountable to act. This is the behavior open and transparent government can enable.

But these examples are exceptions more than the norm. I recently commissioned a survey of U.S. Federal executives and found that the majority of Federal leaders support open government and believe that it can advance mission success. But an equivalent majority does not feel they are able to actually do so because of cultural resistance and requirements for information control.

Recommendations for Evaluation

As you evaluate programs and priorities to leverage technology to change the way government interacts with Citizens and making agencies more transparent and accountable, I'd encourage you to consider three criteria we believe are critical to success.

- **Align to mission strategy**: Government agencies should open government priorities to mission strategy and support the fabric of mission success. This is a core element of the Open Government Directive but one that can not be overemphasized. What works for one agency may not work for another. And technology adoption for the sake of technology adoption is not a recipe for success. Application of technology to discrete mission problems and support for specific agency constituencies and beneficiaries will yield positive results.

- **Encourage rapid adoption**. If a technology project takes longer than 18 months to deploy, it is likely that the project doesn't understand its users and will be obsolete when deployed. Entire technology industries have been built in this much time. Agencies should be encouraged to leverage ubiquitous infrastructure and incubate solutions in a more decentralized model to allow for innovation and to permit imperfection.

- **Require clear understanding of individual needs for technology use**: Technology procurements that don't consider and understand the needs of their end user community are doomed to fail. Agencies that do understand how their communities interact and consume information will reduce risk and enable innovation. Every program that solicits technology investment should be required to evaluate and serve the technology touch points of their target community.

Closing

Mr. Chairman, in closing, I'd like to thank you for the opportunity to speak today. By making this topic a priority, I believe the committee is advancing the opportunity of open government and demonstrating to public servants and citizens that our leadership is committed to improving the operations of government through the appropriate use of technology. I welcome the committee's questions.

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Testimony of Stephen W.T. O'Keeffe
Founder, MeriTalk
before the:
Senate, Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security
Hearing Titled: "Removing the Shroud of Secrecy: Making Government More Transparent and Accountable"
March 23, 2010

Senator Carper and Subcommittee members, thank you for the opportunity to speak today. My name is Steve O'Keeffe, founder of MeriTalk, the government IT network. MeriTalk is an online community that combines professional networking and thought leadership to drive the government IT community dialogue.

More than Lip Service?

What is open government and what are we trying to achieve? While Obama's promise of making agencies more efficient, transparent, and responsive sounds nice, every agency has a different idea and definition of what open government success means. We need to agree on the concept and determine the road ahead rather than reporting on the individual behaviors of agencies – we're dizzy with data without direction.

Open government is about more than publishing information and we cannot simply achieve it by releasing content onto the Web like throwing out old clothes for the Salvation Army. It's about making this data accessible and understandable by providing insight, delivering new functionalities, and empowering citizens to have an ongoing dialogue with their government.

How?

The vast amount of data available is overwhelming to human sorting and translating capabilities. In order to open up this platform to support cross analytics and true transparency of the data available, there needs to be a standardized language for the classification of such data. Without machine-readable metadata and tags, the task is far too complex for industry to engage – simply, the juice is not worth the squeeze.

Unlocking the Power of Public-Private Partnership

There is a real opportunity in engaging the private sector. Today, many businesses such as INPUT and LexisNexis make significant profits by republishing free government data. We can make a significant impact on the market by opening up this platform – where anybody has the opportunity to digest the vast amount of data available and develop applications for the general public. As this data is more readily available, naturally, costs for services will decrease and not just organizations

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who can afford steep annual fees can uncover vital government data. Transparency would increase empowering citizens to expose the issues that matter most to them.

Let's introduce entrepreneurial spirit into this dusty and proprietary environment. In doing so, we can slash the cost of these data services, invoke new business models, and provide greater access and flexibility.

What They Want – Ogov Survey Results (MeriTalk, http://www.meritalk.com/opengovpoll)
In the spirit of open government, on March 4, MeriTalk launched the Ogov Survey. To date, 97 users have completed the eight-question survey covering various issues in open government. The survey supports our belief that while we have made progress in making government more open and transparent, there is still a lot of work to be done. While 51 percent of users feel that government is more open today, 56 percent still do not feel that current open government initiatives are providing them with a voice on how government works. Our analysis also suggests that users agree transparency is about more than publishing data. 55 percent of users graded OMB's IT Dashboard with a "C" or "D" and 82 percent agree that the government needs to execute research to identify the needs and wants of citizens.

Finally, those surveyed felt that open government goals need to be agreed upon and clearly defined across government. Our results show that among users, the leadership for Ogov initiatives is unclear and 67 percent of users gave OMB's clarity and guidance on how agencies can achieve Ogov goals a "C" or "D." Please refer to pages four-six for full results.

These are all powerful numbers – one user and retired Federal employee, Cliff Moore, added the following: *"I am concerned that "open" government is being proposed for its own sake and not for the reason originally intended. I have participated in doing dashboards and other such reporting, but it tends to be at such a high level, I question the veracity and meaningfulness of any data. Many times in my opinion agencies etc are answering the mail and not providing realistic and/or meaningful information to these sites making them a political rather than an informative tool."*

What's Working
Open Government Contests: The guidelines issued by the Office of Management and Budget for how agencies can best utilize incentive-based practices to improve open government initiatives not only indicates government's interest in collaborating with private and innovative thinkers, but gives agencies a clear model on how to use citizen engagement to accomplish the goals of an open and transparent government.

New Data on the Dashboard: Open government and the transparency of government data is not a one-time fix. This requires ongoing upkeep and continued effort to improve accessibility and efficiency. The government needs to update data in real time to provide a true representation of government activities. The launch of the IT Dashboard lit a spark of excitement within the government IT community, but without ongoing updates, the fire will surely diminish.

Room for Improvement
1. Federal IT Dashboard: Scratch the surface, and evidence on this whiz-bang tool is, well, not so whiz bang. When we took a look last year, just 56 percent of the data on IT contracts linked to usaspending.gov. That means almost half of the program data didn't map back to a government purchase/contract. The reason offered on the Web site states "Interagency Agreements not

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required in the Federal Procurement Data Systems (FPDS)," (IT Dashboard, http://it.usaspending.gov/?q=content/contracts&buscid=3522&has_js=1&offset=10&limit=10). That made us raise an eyebrow. As we looked at building applications on top of the dashboard – allowing people to pull data by prime contractor, by red program, by sole source, etc. – we soon realized this was a dead end.

2. Recovery.gov: The Web site established by the Stimulus Act that, among other things, promised to publish the compensation of the top five execs from all companies that received ARRA contracts. MeriTalk tried to get to this data late last year. While it appears that the information is there, it would take more than 100 hours of programming to extract the data. Less government data at your fingertips – more government data under your fingernails.

3. Citizen Engagement: Transparency and openness will only achieve so much in reaching a more efficient and responsive government. The next step to making data accessible and understandable is in providing a forum where feedback is accepted and considered. Beyond elections, citizens need a platform for reacting to government data.

Conclusion

The net on these programs is the data, or organization of the data, simply is not there to support the open government promise. Success means taking an overhaul of current legacy systems and a new management approach. It's not about pushing out data, nor about the government developing Ogov applications of its own. To win, Uncle Sam needs to consider customer requirements, establish common data formats, push data to the public, and empower industry to build applications and turn government into the platform.

Mr. Chairman, it is our sincere hope that open government continues to build momentum in the Federal government. Much room exists for improvement. Our recommendations and observations are but a start towards establishing open government as a mainstream standard operating procedure in the Federal government. We are ready and willing to discuss our initiatives and recommendations and look forward to working with you and the Subcommittee to bring about additional improvements to open government in the Federal government.

I welcome any questions that you have on the subject.

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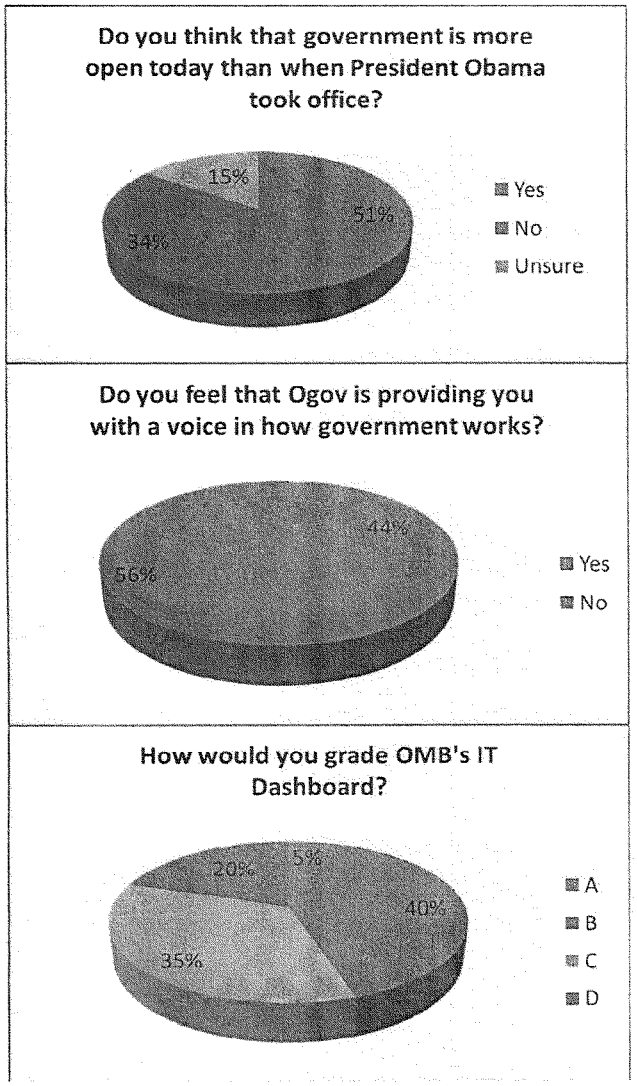

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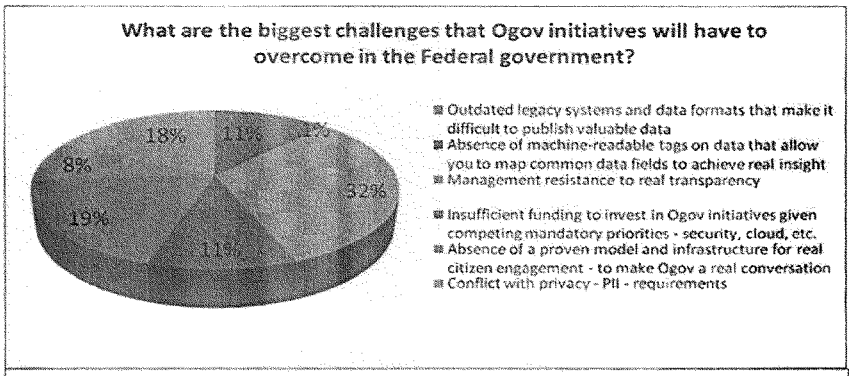

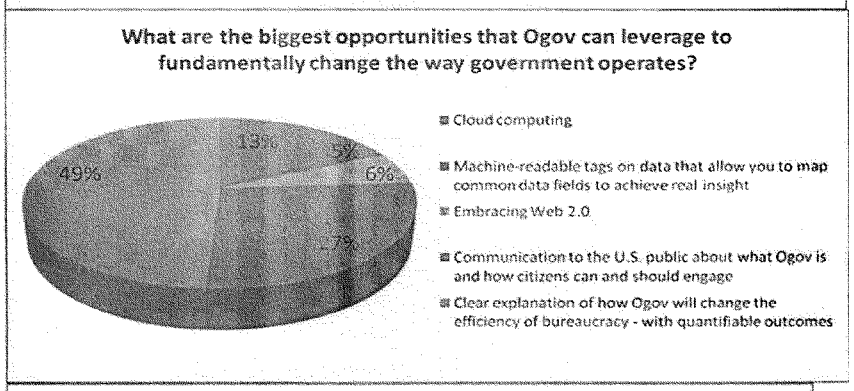

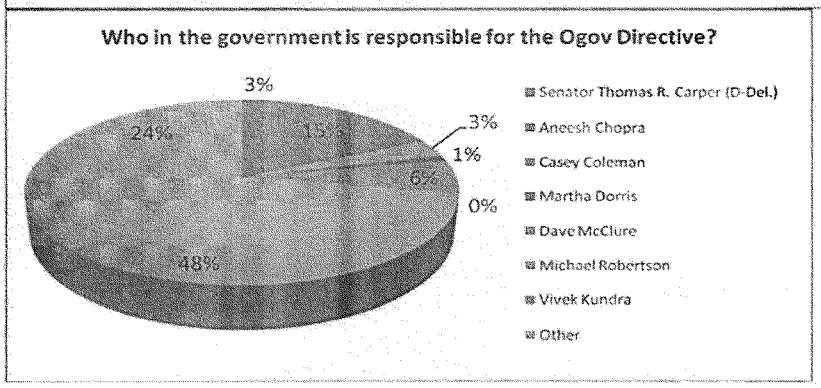

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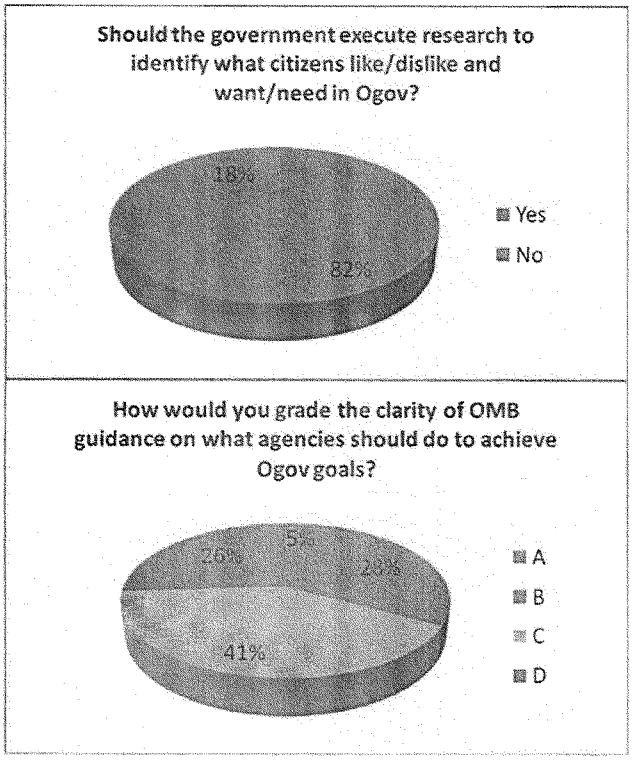

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Statement of Thomas Blanton, Director, National Security Archive, George Washington University, Washington, D.C., www.nsarchive.org

To the United States Senate,
Committee on Homeland Security and Governmental Affairs,
Subcommittee on Federal Financial Management, Government Information, Federal Services, & International Security

"Removing the Shroud of Secrecy: Making Government More Transparent and Accountable"

Tuesday, March 23, 2010

Mr. Chairman and members of the Subcommittee, thank you very much for holding this hearing today. If there's one lesson I've learned from nearly 25 years of watchdogging the federal government on freedom of information issues, it is that paying attention matters. Congress has a lot on its plate these days, especially this week, but the kind of attention and focus that this hearing represents is truly indispensable to making the government more transparent and accountable. So I applaud your initiative today, and I appreciate your invitation to testify.

Here I'd like to introduce briefly the three areas of expertise my organization has developed that are most on point for this hearing. First, since 1985 we have filed more than 40,000 Freedom of Information Act requests, mostly in the difficult area of national security matters, where reflexive secrecy is the norm rather than a careful balancing of the need to protect real secrets versus the need for accountability and transparency. But those topics, the crisis of overclassification, excessive secrecy, and the government's tendency to hide vulnerabilities rather than expose and fix them – those are subjects for another hearing. Some of the lessons we've learned, though, from watching agencies improve or backslide on our FOIA requests, do apply to the current challenges.

Second, since 1989 we have led a series of lawsuits under the Federal Records Act to save the White House e-mail. We had to sue Presidents Reagan, Bush 41, and Clinton to establish that e-mails are records; and now hundreds of thousands of e-mail messages from the Reagan-Bush period are saved, along with 32 million (!) from the Clinton White House. Then we had to go back into court against President George W. Bush to compel the White House to recover their missing e-mail.

I am proud to say that the computer files handed off to the National Archives from the Bush 43 White House contain an estimated 220 million e-mail messages – even though some of David Ferriero's staff may utter curses in our direction about the burden. Best of all, our lawsuit got the White House to install an on-going e-records archiving system – which today captures for posterity even President Obama's

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Blackberry messages. So we've had 20 years of experience now, struggling with the electronic records crisis inside government.

Third, and perhaps most on point today, since 2002 we have carried out eight government-wide Audits of how agencies are performing under the Freedom of Information Act. For example, we tested whether Attorney General John Ashcroft had succeeded in his efforts to close down FOIA requests. Then we saw agency reports to Congress claiming their backlogs were only a year, when we ourselves had requests pending much longer at those agencies, so we asked for and published the oldest FOIA requests in the government – some of them had been hanging for 20 years! We tested whether agencies were complying with Congress's intent in the 1996 E-FOIA amendments, and found only a quarter of the agencies met all the criteria for online openness.

And just last week, we released our findings on how many agencies really responded to the new White House orders to change their FOIA processes. We asked for actual agency documents on their responses to President Obama's Day One memo, and to Attorney General Holder's March 2009 guidance on FOIA. Only 13 out of 90 agencies, we found, had made concrete changes in how they handled FOIA requests. There's a lot of agency-level detail in that most recent audit, and I don't want to take the Subcommittee's time today going through it all, so I'd like to ask the Chairman's permission to submit the Audit results for the record.

You have already heard today from some of the administration's leaders on open government, so I don't need to repeat here all the positive steps, declarations, directives and orders that the White House and the Justice Department, among others, have produced over the past year to move us forward. I've said elsewhere that this President has made the earliest and most emphatic call for open government of any President, and I am happy to see that White House push continuing.

In fact, last Monday we made headlines with those Audit results, that only 13 out of 90 agencies had really responded to the Obama orders; and on Tuesday, the White House chief of staff and the White House counsel put out a new memo to all agency heads, telling them to make concrete changes in their FOIA guidance and training materials! I am impressed with that responsiveness and that leadership. And my bet is, a year from now we'll have data showing the number of agencies with real change going up from 13 to 30, or even 50. But change doesn't happen overnight.

That's the real takeaway from all our Audit experience, and indeed from all the thousands of FOIA requests we've done. There is no magic wand we can wave that will make government open. Transparency and accountability are a constant struggle. Change takes pressure and leadership from inside and outside government. It takes more hearings like this one today. It takes more FOIA requests from us and from across the country. It takes orders from the White House and internalization by agencies.

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Look at what we found when we tested the effects of the infamous Ashcroft memo back in 2001, when the Attorney General told agencies that if they could find a reason, any reason, to deny FOIA requests, then the Justice Department would defend them in court. When we audited what agencies had actually done with the Ashcroft memo, indeed, we found four or five that told their staff this is the end of FOIA. But the majority of agencies just sent the memo around to their components without much in the way of concrete changes to their FOIA guidance, training materials, regs, or actual practice. And most striking of all, several agencies wrote us back, asking us, what Ashcroft memo? Could you send us a copy? We never got that one.

Imagine John Ashcroft's frustration. He's trying to close down FOIA processes, but not much changes and some folks don't even get the word. Now imagine Eric Holder's and Barack Obama's frustration. They are trying to open up the government, and at least no one wrote us back to say, what Obama memo? But only a fraction of the agencies made any real change to date.

This is the management challenge of opening the federal government. This administration has used the supertanker metaphor to describe the ship of state, the pilot can turn the wheel all the way over but the ship steams onward, only beginning to turn onto the new course. Plus I would say it's a long way from the bridge where the captain is, down to the engine room where the props are, lots of other folks down there who play a role in the ship's speed and direction, and lots of opportunities for things to go wrong with the rudder cables. Plus, the ship of state is not a single vessel – our Audits show it's more like a fleet, so there are multiple captains, multiple wheels, different prop speeds, and uneven sonar.

Our Audit concluded that "One year is too early to render a final judgment on how far President Obama can move the government toward openness...." We applauded those 13 agencies that did change in this first year. The departments of Defense and of Health & Human Services stopped applying one of the more trivial exemptions, and HHS and Commerce required that any denial had to address the "foreseeable harm" standard. The EPA changed its policy on drafts and e-mails so they won't be withheld categorically. Most of the 13 made specific plans for posting more records on line, and all showed a distinct change in tone in their internal FOIA materials.

The Justice Department won high scores on both major parts of our Audit, and this is particularly important because Justice sets the FOIA tone, provides the legal guidance, represents the agencies in court against FOIA requesters, and needs to have the cleanest windows in its glass house. We found that Justice not only made concrete changes in practice, but also produced the results in more releases and fewer denials, according to Justice's annual report on FOIA.

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A caveat about those annual reports, which cover fiscal year 2009 ending last September: At least three months of that data dates from the end of the Bush administration, and only six months of that data is from the period after the Holder memo came out. So we and others will be looking closely at the numbers for FY2010 – that will be the real test of the Obama-Holder guidance at the level of releases, denials, and exemptions.

But the mixed results from the FY2009 reports – only four agencies were in the Justice category of higher releases and lower denials – should give us pause about the challenge, even though they certainly do not yet justify any headline claiming the Obama administration compares unfavorably to the previous one. I would say flatly that the Obama administration gets an "A" for effort, and an "Incomplete" for results to date.

Finally, I want to return to the issue of electronic records. Last week we bestowed our "coveted" Rosemary Award on the Federal Council of Chief Information Officers. This is our annual recognition for the worst open government performance by a federal entity, and I want to be clear about what we're recognizing here. The distinguished current head of the Council testified to you today, and given his leadership on a variety of open government initiatives, he doesn't really deserve to have on his wall a color photograph of President Nixon's secretary, Rose Mary Woods, in her stretch that erased some of the White House tapes. But he could use this photo and this award as a reminder of what's at stake.

We've been fighting the e-records issue since 1989, and the CIO Council has been in charge of best practices for federal government IT since 1996. Yet the Council has never, to my knowledge, engaged with the e-mail preservation issue. These folks, the CIOs, preside over $71 billion a year of the government's IT purchases, and what they really need to do is build in the archiving and preservation and access capacities right up front in all that investment. So we gave the CIO Council the Rosemary Award as a wake-up call, and if the administration responds on e-records the way the White House has responded on FOIA, we can expect some change and some leadership.

I hope we are all back in front of you next year, Mr. Chairman, with much more success to point to. With your help, we will.

Thank you!

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Testimony of John Wonderlich, Policy Director of the Sunlight Foundation Before the Senate Committee on Homeland Security and Governmental Affairs Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security

April 13, 2010

Chairman Carper, Ranking Member McCain, and members of the Committee, thank you for the invitation to appear before you today.

My name is John Wonderlich and I am the policy director of the Sunlight Foundation. The Sunlight Foundation is a non-partisan non-profit dedicated to using power of the Internet to catalyze greater government openness and transparency. We take inspiration from Justice Brandeis' famous adage "Sunlight is said to be the best of disinfectants."

We are committed to improving access to government information by making as much as possible of it available online, indeed we believe it is important to redefine "public" – as in the phrase "public information" – as meaning online. We focus on creating databases and new tools and websites to enable citizens to get the information they need to be informed participants in our democracy.

We believe that transparency and openness are essential foundations for public trust; without the former the latter cannot survive. The Internet is making increased transparency cheaper, more effective, and in more demand every day as Americans come to expect instantaneous and constant access to all kinds of information.

Given the rapid technological advances in how information can be captured, stored, analyzed and shared, this is the time for all of government to rethink how it makes information available.

There are three core principles for establishing an open and transparent government.

- **Transparency is Government's Responsibility:** Transparency must first and foremost be understood as government's responsibility, private/non-profit responses can reach only so far. Accordingly, both Congress and the federal branch must make broad changes in their information and technology policies to establish online, real time public access as a priority for virtually all the operations of the federal government.

- **Public Means Online:** Whenever the government has committed to making information public, the standard for "public" should include "freely accessible online." Information cannot be considered public if it is

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available only inside a government building, during limited hours or for a fee. In the 21st century, information is properly described as "public" only if it is available online, for free, in some kind of reasonably parse-able format. Almost our entire public sphere is now online, and our public information should be there, too.

- **Data Quality and Presentation Matter:** The Internet has redefined effective communications and publishing. It is an around-the-clock open medium, in which now-standard practices include continuous, contemporaneous dissemination, permanent searchability and re-usability, among other key features.

  All information and data that the government has decided or hereafter decides should be public must be (i) posted online promptly, (ii) complete and accurate, (iii) searchable and manipulable and (iv) permanently preserved and accessible. Among these four, timeliness is particularly vital for information concerning any ongoing decision making process, such as legislation or regulation. Disclosure should move at the same pace as influence over such decisions; thus arbitrary periodic filing requirements (e.g., annual, quarterly or monthly) violate this standard and render postings less useful to facilitate public trust and participation. Fortunately, the Internet enables inexpensive real-time publishing, such as real-time updates we have come to expect for news and stock market transactions. These standards of contemporaneous disclosure are particularly important when it comes to disclosure of lobbying contacts, consideration of legislation, promulgation of regulations or awarding of grants and contracts. Asking the public to wait three months or more to find out about these kinds of disclosures is like telling a policeman investigating a robbery at a bank that they can't look at the ATM machine video tapes until three months after the crime.

Why are these improvements in transparency so important? Let me offer several interrelated reasons.

First, transparency is the basis for informed participation in self-government. In an age of Facebook and smartphones, where more and more people are connected and go online to find out what is going on around them, the citizenry has rising expectations of greatly expanded access to governmental information, so that they may play a fuller role in understanding, evaluating and participating in the workings of their government.

Our role as citizens is only as strong as our government is open. This idea is not an abstract, distant kind of public good. The actions that make up our civic lives – informed voting, active participation, analyzing – all depend on access to public information. Feeling connected to public business as it is conducted in your name is integral to full citizenship. Without that connection, citizens are left

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disconnected and dispirited, and substance and dialog are replaced with apathy and divisiveness.

Second, online transparency can create more accountable and efficient spending, something that governmental bodies in cities and states and here in Washington are all discovering. Texas, for example, found millions of dollars in savings through their online spending portal, by eliminating redundant or inefficient expenses. Similar sites like those from Delaware, Missouri, or the federal government's USASpending.gov represent a newly developing norm for spending accountability.

Third, when government makes data public, it can foster whole new businesses or industries. President Obama's Open Government Directive recognizes this potential, noting that information that may "create economic opportunity" should be given special priority. While not every government dataset will have as broad an economic impact as weather information or GPS data, we should never miss such an economic opportunity out of neglect.

Fourth, and perhaps most important, open and transparent government is accountable government. When government lies to its citizens or hides information, it breeds distrust. Open information allows us to check what government is doing with our tax dollars and in our names.

Often, the mere fact of having to make information public tends to make authorities more accountable. For example, the EPA's Toxics Release Inventory has helped change the behavior of corporate polluters. The amount of information that airlines, aircraft manufacturers, pilots and others routinely provide about their daily operations to the Federal Aviation Administration helps keep the nation's air transit system safe.

By contrast, the lessons of what happens when we lack transparency are legion. Though Medicare requires hospitals to provide information to Health and Human Services about the quality of care they deliver – which can be a matter of life and death – that information is not made available to patients in any meaningful form. Patients are in the dark about the quality of the hospital they depend on. As the *Florida Times-Union* reported in March of this year, a lack of transparency in how the Department of Health and Human Services grades hospitals prevents patients from comparing them.

It is widely believed that a lack of real transparency – retrievable, comprehensible information – led to the financial crisis. Consumers borrowed far more for homes than they could afford because mortgage disclosures didn't tell them what would happen when interest rates went up. Investors bought hundreds of billions, if not trillions, of assets based on those bad mortgages, which they believed were sure bets.

Our vision is one of a rich, vital public sphere, where politics is driven by dialog

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and fact, and merit drives decision-making in government.

In that spirit, Sunlight is pleased to help shape the new policies and technology that will allow all of us to benefit from a stronger democracy – creating new platforms and databases to inform and engage citizens, empowering journalists, lawmakers and public officials, investing in our social infrastructure to demand and make use of government information, and advancing the bold, responsible policies that will open our government. Let me repeat, our role as citizens is only as strong as our government is open. This isn't an abstract, distant kind of public good, but a concrete responsibility.

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Testimony of Stephen W.T. O'Keeffe
Founder, MeriTalk
before the:
Senate, Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security
Hearing Titled: "Removing the Shroud of Secrecy: Making Government More Transparent and Accountable"
April 13, 2010

Senator Carper and Subcommittee members, thank you for the opportunity to speak today. My name is Steve O'Keeffe, founder of MeriTalk, the government IT network. MeriTalk is an online community that combines professional networking and thought leadership to drive the government IT community dialogue.

More than Lip Service?

What is open government and what are we trying to achieve? While Obama's promise of making agencies more efficient, transparent, and responsive sounds nice, every agency has a different idea and definition of what open government success means. We need to agree on the concept and determine the road ahead rather than reporting on the individual behaviors of agencies – we're dizzy with data without direction.

Open government is about more than publishing information and we cannot simply achieve it by releasing content onto the Web like putting out old clothes for the Salvation Army. It's about making this data accessible and understandable by providing insight, delivering new functionalities, and empowering citizens to have an ongoing dialogue with their government.

How?

The vast amount of data available is overwhelming to human sorting and translating capabilities. In order to open up this platform to support cross analytics and true transparency of the data available, there needs to be a standardized language for the classification of such data. Without machine-readable metadata and tags, the task is far too complex for industry to engage – simply, the juice is not worth the squeeze.

Unlocking the Power of Public-Private Partnership

There is a real opportunity in engaging the private sector. Today, many businesses such as INPUT and LexisNexis make significant profits by republishing free government data. We can make a significant impact on the market by opening up this platform – where anybody has the opportunity to digest the vast amount of data available and develop applications for the general public. As this data is more readily available, naturally, costs for services will decrease and not just organizations

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who can afford steep annual fees can uncover vital government data. Transparency would increase, empowering citizens to expose the issues that matter most to them.

Let's introduce entrepreneurial spirit into this dusty and proprietary environment. In doing so, we can slash the cost of these data services, invoke new business models, and provide greater access and flexibility.

What They Want – Ogov Survey Results (MeriTalk, http://www.meritalk.com/opengovpoll)
In the spirit of open government, on March 4, MeriTalk launched the Ogov Survey. As of March 23, 2010, 118 users had completed the eight-question survey covering various issues in open government. The survey supports our belief that while we have made progress in making government more open and transparent, there is still a lot of work to be done. While 53 percent of users feel that government is more open today, 58 percent still do not feel that current open government initiatives are providing them with a voice on how government works. Our analysis also suggests that users agree transparency is about more than publishing data. 58 percent of users graded OMB's IT Dashboard with a "C" or "D" and 83 percent agree that the government needs to execute research to identify the needs and wants of citizens.

Finally, those surveyed felt that open government goals need to be agreed upon and clearly defined across government. Our results show that among users, the leadership for Ogov initiatives is unclear and 68 percent of users gave OMB's clarity and guidance on how agencies can achieve Ogov goals a "C" or "D." Please refer to slides.

These are all powerful numbers – one user and retired Federal employee, Cliff Moore, added the following: *"I am concerned that "open" government is being proposed for its own sake and not for the reason originally intended. I have participated in doing dashboards and other such reporting, but it tends to be at such a high level, I question the veracity and meaningfulness of any data. Many times in my opinion agencies etc. are answering the mail and not providing realistic and/or meaningful information to these sites making them a political rather than an informative tool."*

What's Working
1. Open Government Contests: The guidelines issued by the OMB for how agencies can best utilize incentive-based practices to improve open government initiatives not only indicates government's interest in collaborating with private and innovative thinkers, but gives agencies a clear model on how to use citizen engagement to accomplish the goals of an open and transparent government.

2. New Data on the Dashboard: Open government and the transparency of government data is not a one-time fix. This requires ongoing upkeep and continued effort to improve accessibility and efficiency. The government needs to update data in real time to provide a true representation of government activities. The launch of the IT Dashboard lit a spark of excitement within the government IT community, but without ongoing updates, the fire will surely diminish.

Room for Improvement
1. Federal IT Dashboard: Scratch the surface, and evidence on this whiz-bang tool is, well, not so whiz bang. When we took a look last year, just 56 percent of the data on IT contracts linked to

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usaspending.gov. That means almost half of the program data didn't map back to a government purchase/contract. The reason offered on the Web site states "Interagency Agreements not required in the Federal Procurement Data Systems (FPDS)," (IT Dashboard, http://it.usaspending.gov/?q=content/contracts&buscid=3522&has_js=1&offset=10&limit=10). That made us raise an eyebrow. As we looked at building applications on top of the dashboard – allowing people to pull data by prime contractor, by red program, by sole source, etc. – we soon realized this was a dead end.

I did have the opportunity to meet with Vivek Kundra last week – and we chatted extensively about the future of the IT Dashboard. Vivek was keenly interested in the results of the MeriTalk Ogov Study. He wants to see the IT Dashboard get an A grade – but importantly, he is interested in learning how customers feel today so that he can improve the grade. We also went back to the IT Dashboard last week – and found the available data, and access to that data, much improved from last year. Please take a look at these slides that graph data from the IT Dashboard – engaging new insight on how the Federal government is spending in IT. Vivek Kundra mentioned that OMB will update this important resource in the coming weeks – delivering new and more intuitive capabilities. MeriTalk will work with OMB to host a free Webcast program to get the word out about the new IT Dashboard functionality.

2. Recovery.gov: The Web site established by the Stimulus Act that, among other things, promised to publish the compensation of the top five executives from all companies that received ARRA contracts. MeriTalk tried to get to this data late last year. While it appears that the information is there, it would take more than 100 hours of programming to extract the data. Less government data at your fingertips – more government data under your fingernails.

I did have the opportunity to meet with Mike Wood at the Recovery Board last week. He noted new plans afoot to improve the capabilities and intuitive functionality on recovery.gov. We are encouraged by the open and engaged response from OMB and the Recovery Board on these critical open government resources. The administration is interested in feedback and dialogue – they are not pretending that they have all the answers and we are excited to work with them to improve the outcomes of open government.

3. Citizen Engagement: Transparency and openness will only achieve so much in reaching a more efficient and responsive government. The next step to making data accessible and understandable is in providing a forum where feedback is accepted and considered. Beyond elections, citizens need a platform for reacting to government data.

Conclusion

The net on these programs is the data, or organization of the data, simply is not there to support the open government promise. Success means taking an overhaul of current legacy systems and a new management approach. It's not about pushing out data, nor about the government developing Ogov applications of its own. To win, Uncle Sam needs to consider customer requirements, establish common data formats, push data to the public, and empower industry to build applications and turn government into the platform. That said, we are very encouraged by the OMB and Recovery Board response to feedback from the Ogov study. President Obama's open government initiative is analogous to President Kennedy's commitment to go to the moon. It is a journey, and

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key stakeholders in government seem very receptive to building a better open government rocket ship. The effort will doubtless yield many useful innovations along the way.

Mr. Chairman, it is our sincere hope that open government continues to build momentum in the Federal government. Much room exists for improvement. Our recommendations and observations are but a start toward establishing open government as a mainstream standard operating procedure in the Federal government. We are ready and willing to discuss our initiatives and recommendations and look forward to working with you and the Subcommittee to bring about additional improvements to open government in the Federal government.

I welcome any questions that you have on the subject.

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Statement of Thomas Blanton, Director, National Security Archive, George Washington University, Washington, D.C., www.nsarchive.org

To the United States Senate,
Committee on Homeland Security and Governmental Affairs,
Subcommittee on Federal Financial Management, Government Information, Federal Services, & International Security

"Removing the Shroud of Secrecy: Making Government More Transparent and Accountable"

Tuesday, March 23, 2010

Mr. Chairman and members of the Subcommittee, thank you very much for holding this hearing today. If there's one lesson I've learned from nearly 25 years of watchdogging the federal government on freedom of information issues, it is that paying attention matters. Congress has a lot on its plate these days, especially this week, but the kind of attention and focus that this hearing represents is truly indispensable to making the government more transparent and accountable. So I applaud your initiative today, and I appreciate your invitation to testify.

Here I'd like to introduce briefly the three areas of expertise my organization has developed that are most on point for this hearing. First, since 1985 we have filed more than 40,000 Freedom of Information Act requests, mostly in the difficult area of national security matters, where reflexive secrecy is the norm rather than a careful balancing of the need to protect real secrets versus the need for accountability and transparency. But those topics, the crisis of overclassification, excessive secrecy, and the government's tendency to hide vulnerabilities rather than expose and fix them – those are subjects for another hearing. Some of the lessons we've learned, though, from watching agencies improve or backslide on our FOIA requests, do apply to the current challenges.

Second, since 1989 we have led a series of lawsuits under the Federal Records Act to save the White House e-mail. We had to sue Presidents Reagan, Bush 41, and Clinton to establish that e-mails are records; and now hundreds of thousands of e-mail messages from the Reagan-Bush period are saved, along with 32 million (!) from the Clinton White House. Then we had to go back into court against President George W. Bush to compel the White House to recover their missing e-mail.

I am proud to say that the computer files handed off to the National Archives from the Bush 43 White House contain an estimated 220 million e-mail messages – even though some of David Ferriero's staff may utter curses in our direction about the burden. Best of all, our lawsuit got the White House to install an on-going e-records archiving system – which today captures for posterity even President Obama's

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Blackberry messages. So we've had 20 years of experience now, struggling with the electronic records crisis inside government.

Third, and perhaps most on point today, since 2002 we have carried out eight government-wide Audits of how agencies are performing under the Freedom of Information Act. For example, we tested whether Attorney General John Ashcroft had succeeded in his efforts to close down FOIA requests. Then we saw agency reports to Congress claiming their backlogs were only a year, when we ourselves had requests pending much longer at those agencies, so we asked for and published the oldest FOIA requests in the government – some of them had been hanging for 20 years! We tested whether agencies were complying with Congress's intent in the 1996 E-FOIA amendments, and found only a quarter of the agencies met all the criteria for online openness.

And just last week, we released our findings on how many agencies really responded to the new White House orders to change their FOIA processes. We asked for actual agency documents on their responses to President Obama's Day One memo, and to Attorney General Holder's March 2009 guidance on FOIA. Only 13 out of 90 agencies, we found, had made concrete changes in how they handled FOIA requests. There's a lot of agency-level detail in that most recent audit, and I don't want to take the Subcommittee's time today going through it all, so I'd like to ask the Chairman's permission to submit the Audit results for the record.

You have already heard today from some of the administration's leaders on open government, so I don't need to repeat here all the positive steps, declarations, directives and orders that the White House and the Justice Department, among others, have produced over the past year to move us forward. I've said elsewhere that this President has made the earliest and most emphatic call for open government of any President, and I am happy to see that White House push continuing.

In fact, last Monday we made headlines with those Audit results, that only 13 out of 90 agencies had really responded to the Obama orders; and on Tuesday, the White House chief of staff and the White House counsel put out a new memo to all agency heads, telling them to make concrete changes in their FOIA guidance and training materials! I am impressed with that responsiveness and that leadership. And my bet is, a year from now we'll have data showing the number of agencies with real change going up from 13 to 30, or even 50. But change doesn't happen overnight.

That's the real takeaway from all our Audit experience, and indeed from all the thousands of FOIA requests we've done. There is no magic wand we can wave that will make government open. Transparency and accountability are a constant struggle. Change takes pressure and leadership from inside and outside government. It takes more hearings like this one today. It takes more FOIA requests from us and from across the country. It takes orders from the White House and internalization by agencies.

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Look at what we found when we tested the effects of the infamous Ashcroft memo back in 2001, when the Attorney General told agencies that if they could find a reason, any reason, to deny FOIA requests, then the Justice Department would defend them in court. When we audited what agencies had actually done with the Ashcroft memo, indeed, we found four or five that told their staff this is the end of FOIA. But the majority of agencies just sent the memo around to their components without much in the way of concrete changes to their FOIA guidance, training materials, regs, or actual practice. And most striking of all, several agencies wrote us back, asking us, what Ashcroft memo? Could you send us a copy? We never got that one.

Imagine John Ashcroft's frustration. He's trying to close down FOIA processes, but not much changes and some folks don't even get the word. Now imagine Eric Holder's and Barack Obama's frustration. They are trying to open up the government, and at least no one wrote us back to say, what Obama memo? But only a fraction of the agencies made any real change to date.

This is the management challenge of opening the federal government. This administration has used the supertanker metaphor to describe the ship of state, the pilot can turn the wheel all the way over but the ship steams onward, only beginning to turn onto the new course. Plus I would say it's a long way from the bridge where the captain is, down to the engine room where the props are, lots of other folks down there who play a role in the ship's speed and direction, and lots of opportunities for things to go wrong with the rudder cables. Plus, the ship of state is not a single vessel – our Audits show it's more like a fleet, so there are multiple captains, multiple wheels, different prop speeds, and uneven sonar.

Our Audit concluded that "One year is too early to render a final judgment on how far President Obama can move the government toward openness...." We applauded those 13 agencies that did change in this first year. The departments of Defense and of Health & Human Services stopped applying one of the more trivial exemptions, and HHS and Commerce required that any denial had to address the "foreseeable harm" standard. The EPA changed its policy on drafts and e-mails so they won't be withheld categorically. Most of the 13 made specific plans for posting more records on line, and all showed a distinct change in tone in their internal FOIA materials.

The Justice Department won high scores on both major parts of our Audit, and this is particularly important because Justice sets the FOIA tone, provides the legal guidance, represents the agencies in court against FOIA requesters, and needs to have the cleanest windows in its glass house. We found that Justice not only made concrete changes in practice, but also produced the results in more releases and fewer denials, according to Justice's annual report on FOIA.

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A caveat about those annual reports, which cover fiscal year 2009 ending last September: At least three months of that data dates from the end of the Bush administration, and only six months of that data is from the period after the Holder memo came out. So we and others will be looking closely at the numbers for FY2010 – that will be the real test of the Obama-Holder guidance at the level of releases, denials, and exemptions.

But the mixed results from the FY2009 reports – only four agencies were in the Justice category of higher releases and lower denials – should give us pause about the challenge, even though they certainly do not yet justify any headline claiming the Obama administration compares unfavorably to the previous one. I would say flatly that the Obama administration gets an "A" for effort, and an "Incomplete" for results to date.

Finally, I want to return to the issue of electronic records. Last week we bestowed our "coveted" Rosemary Award on the Federal Council of Chief Information Officers. This is our annual recognition for the worst open government performance by a federal entity, and I want to be clear about what we're recognizing here. The distinguished current head of the Council testified to you today, and given his leadership on a variety of open government initiatives, he doesn't really deserve to have on his wall a color photograph of President Nixon's secretary, Rose Mary Woods, in her stretch that erased some of the White House tapes. But he could use this photo and this award as a reminder of what's at stake.

We've been fighting the e-records issue since 1989, and the CIO Council has been in charge of best practices for federal government IT since 1996. Yet the Council has never, to my knowledge, engaged with the e-mail preservation issue. These folks, the CIOs, preside over $71 billion a year of the government's IT purchases, and what they really need to do is build in the archiving and preservation and access capacities right up front in all that investment. So we gave the CIO Council the Rosemary Award as a wake-up call, and if the administration responds on e-records the way the White House has responded on FOIA, we can expect some change and some leadership.

I hope we are all back in front of you next year, Mr. Chairman, with much more success to point to. With your help, we will.

Thank you!

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Senate Homeland Security and Governmental Affairs
Subcommittee on Federal Financial Management,
Government Information, Federal Services, and International Security

Questions for the Record for Vivek Kundra,
Federal Chief Information Officer
Administrator for Electronic Government and Information Technology
Office of Management and Budget

Removing the Shroud of Secrecy: Making Government More Transparent and Accountable
March 23, 2010

Questions from Senator Thomas R. Carper

1. The Archivist of the United States testified that 79% of agencies are at either a High (36%) or Moderate (43%) risk of improper destruction of records. The risks are particularly acute for electronic records, especially existing email and traditional web records, as well as new types of Federal records are created through collaborative software, or Federal records are managed in cloud computing environments. How will OMB work with NARA, as well as the Federal agencies responsible for managing their records, to identify and develop solutions to these challenges and otherwise deal with these current and future risks?

Response:

The ongoing challenge facing Federal agencies today is to transition and implement long-standing policies that were designed for paper-based business practices, to today's world where an increasing number of records are generated electronically. OMB has a role to work with the Archivist of the United States to help coordinate Federal record management policies, which includes coordination with the National Archives and Records Administration to aid agency implementation of existing law and policies when investing in information systems that include record management, in order to address this very problem.

2. On his first day in office, the President issued policy directives on Openness and Transparency, Freedom of Information Act, and the Presidential Records Act. The one thing he left out was the Federal Records Act. Would you be willing to recommend that the President issue a "Records Management Directive," or something similar, to compel agencies to commit to full implementation of their records management responsibilities under the Federal Records Act?

Response:

OMB is actively engaged with Federal agencies to implement the President's policies on Openness and Transparency, the Freedom of Information Act, and the Presidential Records Act. In fact, our own OMB Open Government Directive had a similar goal of compelling agencies to fulfill their responsibilities by having explicit requirements for agencies to show publicly how they were meeting their record management obligations. We would have to evaluate what purpose and value such a directive might have in realizing greater compliance with these requirements.

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Questions from Senator Tom Coburn

1. Mr. Kundra, despite the fact that the *Federal Funding Accountability and Transparency Act of 2006* was passed three and a half years ago USAspending.gov still does not included subaward data. The law specifically required that this data be included on USAspending.gov by January 1, 2009. Why has OMB not posted subaward data?

Response:

This Administration is committed to collecting subaward data, and has taken critical steps to do so. A clear lesson from the Federal Government's experience with Recovery.gov is that, given the numerous stakeholders involved in the Federal spending process and the complexity of underlying systems, all efforts to improve transparency must include thoughtful consideration of the costs and benefits of various implementation approaches and the involvement of stakeholders both within and external to the Federal government.

At the end of the previous Administration, OMB had:

- Not developed a project plan for how the subaward reporting requirements would be met, did not have a dedicated project manager in place or any dedicated staff capacity, and had not completed an evaluation of the resources required to meet the sub award requirements of the law;
- Not developed or requested funding for the extensive IT infrastructure required for the collection and reporting of this information. This system must be able to handle inputs from more than 100,000 recipients with appropriate, user-friendly technology, integrate with existing reporting systems, and present data in a user-friendly, value-added way; and
- Not issued the regulations and guidance necessary for Federal agencies to require this reporting from recipients as a condition of receipt of funds.

These are critical steps for the collection and reporting of sub award information, and would have needed to be in place early last fall for OMB to have met the January 1, 2009, deadline for the reporting of subawards.[1]

Since January 2009, the Administration has been working to fulfill OMB's statutory responsibilities of FFATA as quickly and efficiently as possible.[2] In February 2009, the Administration launched Recovery.gov and a few months later, FederalReporting.gov, bringing transparency to award and subaward information for spending under the American Recovery

[1] 4/17/2009Orszag letter to Sen. Coburn
[2] Sen. Coburn's QFRs from Peter Orzag's nomination hearing (1/14/2009).

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and Reinvestment Act (ARRA). Since then, we have had the opportunity to learn from the implementation of ARRA subaward reporting, and are incorporating lessons learned and best practices into our planning for the broader set of subaward reporting requirements under FFATA.

2. Is the Administration concerned that if it takes the 18 month extension, it will be in violation of the law?

Response:

As of the beginning of this Administration, the January 1, 2009 deadline for subaward reporting had lapsed and no 18-month extension had been filed. Since then, the Administration has taken a series of aggressive steps to reach compliance with FFATA by the end of calendar year 2010.

3. Does OMB plan to comply with the law and report subaward data? If yes, when?

Response:

Yes. On April 6, 2010, OMB released a comprehensive subaward reporting strategy via a memorandum from Jeffery D. Zients, Deputy Director for Management. This strategy establishes a deadline of October 1, 2010 for Federal agencies to initiate subaward reporting pursuant to FFATA. The recent release of a new USAspending.gov platform will help to achieve this goal.[3]

4. OMB started two pilot subaward programs in 2008, even though the law required that a subaward pilot program be started in July 2007. These pilots were required to help identify ways to better report subaward data. According to GAO, the pilot programs were not successful. Can you please explain why the two pilot programs were not successful? Does OMB plan to do another pilot program?

Response:

The previous Administration's subaward reporting efforts focused on conducting two pilots - an assistance pilot conducted by HHS and a contracts pilot conducted by GSA. The HHS Tracking and Accountability in Government Grants System was selected by OMB in July 2008 to host the sub-grant pilot. The assistance pilot began on October 8, 2008 and ran until November 14, 2008. Unfortunately, this pilot only included 61 Federal recipients who volunteered as initial

[3] http://www.whitehouse.gov/omb/assets/open_gov/OpenGovernmentDirective_04062010.pdf

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participants, of which 18 entered subawards. A total of 516 subawards were entered during the pilot. Needless to say, the experiences from this small number of pilot participants are inadequate to determine how best to implement a Federal government-wide sub-grantee award reporting system.

The contract subaward pilot began in April 2008, making use of the existing tool for reporting subcontract information, the Integrated Acquisition Environment's (IAE) Electronic Subcontracting Reporting System (eSRS). This required minor system modifications and changes to the Federal Acquisition Regulation (FAR) to require submission of data by contractors. The timing of the changes to the FAR requiring subrecipient reporting did not align with the timing of the pilot, making the pilot a voluntary event which impacted participation.

While the pilots were not conclusive in generating information upon which to base burden assessments and evaluate a single method for collecting information, they did underscore that the central collection and reporting of subaward information from hundreds of thousands of Federal award recipients will require a significant investment in time, resources, and interagency collaboration. The pilots also emphasized the need to give appropriate guidance to recipients on how they account for awards utilizing both Federal and non-Federal resources, and to put in place a robust data quality assurance model.[4] OMB is using the information from the pilots as well as the lessons learned from the implementation of Recovery Act reporting to inform current and future efforts.

5. How do you verify the accuracy of data reported by agencies to USAspending.gov?

Response:

Maintaining accuracy of data is primarily the responsibility of agencies and their senior accountable officials. OMB is facilitating improved data quality through additional guidance, such as that issued in OMB Memorandum M-09-19 and standardization of data definitions such as found in the Federal Procurement Data system for contracts.

Another way to improve data quality is to apply strong validations against data before it is allowed to enter the system. This is currently in place for the contracts data. Assistance data goes directly from agencies into USAspending. The Data Submission and Validation Tool (DSVT) is used to apply business-driven validation rules against incoming data, to prevent or warn agencies about potential data issues. DSVT validations continue to improve as OMB works with agencies to add new and tighter validation rules on an ongoing basis.

[4] Verbatim from 4/17/2009 Orszag letter to Sen. Coburn

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By coordinating ongoing communications and continued evolution of standards and guidance, OMB can play a key role in improving data accuracy. Through staff-level interactions such as the weekly conference call with subject matter experts, or by establishing senior accountable officials and providing guidance and direction under the Open Government Directive, OMB has used its policy and coordinating role to create a framework for better data. Ultimately however, the agencies are responsible for providing and verifying the accuracy of the data they create and submit.

6. Are you confident that the data that is being reported by agencies is accurate?

Response:

The Administration has taken steps through policy, guidance, and technology to improve the quality of data reported by agencies. In June 2009, OMB provided guidance to agencies on improving quality and timeliness of data reported to USASpending (OMB Memorandum M-09-19). M-09-19 broadened the scope of Federal assistance spending to be reported and provided additional guidance on data elements. It also established an October 1, 2010 for all agencies to report all award data electronically via the Data Submission and Validation Tool (DSVT)[5]. This tool, already widely adopted by the major agencies today, assists in the verification of data accuracy by streamlining the process of submitting data files over the Internet, providing real-time feedback to Federal agencies on file validation results, and offering additional functionality to OMB and Federal agencies on tracking historical data submissions. This guidance also established a data scorecard, creating publicly available metrics for each agency on submission timeliness and completeness.

In December 2009, the Administration established the Open Government Directive (M-10-06), which required each agency take specific steps to ensure that data are reported quickly, efficiently, and accurately and requires that agencies designate a senior official to be accountable for the quality, objectivity of, and internal controls over, Federal spending information publicly disseminated through USAspending.gov.

This was quickly followed by the Data Quality Framework in February, which provides specific guidance on data quality plans as they relate to Federal spending data, including description of the governance structure, risk assessment process, governing principles and controls, communications, and monitoring. Most recently, in April 2010, OMB submitted Open Government Directive guidance initiating new requirements for Federal agencies to maintain metrics on the quality and completeness of spending data provided pursuant to FFATA.

7. How do you hold agencies accountable for not reporting data or submitting spending data with missing or inaccurate data?

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[5] http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-19.pdf (Page 4)

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Response:

Agencies may be held accountable through the agency senior accountable official as required in the Open Government Directive. That official will participate in the agency's Senior Management Council, or similar governance structure, for the agency-wide internal control assessment pursuant to the Federal Managers' Financial Integrity Act.[6]

Agencies were also directed to submit and make publicly available by April 7, 2010, their own Open Government Plans[7] with details of the internal controls implemented over information quality, including system and process changes, and the integration of these controls within the agency's existing infrastructure.

The Administration has created a compliance dashboard to provide transparency for the public to view agencies' progress in reporting high-quality and complete data sets. This information is available via the Open Government Initiative website, located at http://www.whitehouse.gov/open/around.

8. When OMB issues the new data reporting guidance for agencies in the next few months, will the guidance fix the problems with poor data quality and agencies not reporting all of their spending data?

Response:

The guidance OMB released on April 6, 2010 provides a solid roadmap for improving data quality and completeness, Federal spending is complex in nature and improving data quality will be an ongoing effort. Through the Open Government Directive, we have established a strong foundation upon which to build, but much still remains to be done before we can claim success.

9. Why has it taken so long for OMB to issue this guidance?

Response:

Since January 2009, the Administration has issued an abundance of guidance on the reporting of Federal spending data, including M-09-19, several memos related to ARRA reporting, and guidance related to the Open Government Directive. As evident throughout the ARRA reporting guidance, OMB kept FFATA at the forefront; making many references to FFATA requirements to ensure compatibility and applicability of lessons learned in the collection of

[6] Taken directly from the OGD, page 4.
[7] Taken directly from http://www.whitehouse.gov/open/around

ph44585 on D330-44585-7600 with DISTILLER

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detailed spending data. OMB has and will continue to work closely with constituent communities to develop and issue guidance as appropriate.

10. As part of President Obama's Open Government Initiative, the Administration is using USAspending.gov and similar websites to track "how government uses the money with which the people have entrusted it." [8] Can the Administration truly be transparent with the money the "people have entrusted it" with without including subaward data?

Response:

The Administration's quest for a more open and transparent government continues to be an iterative process, relying in part on inputs from the best minds in government, the private sector, and the American people to drive success. We agree that the inclusion of subaward data will be a further important step along this path, and look forward to improving USAspending this year to ensure that our transparency objectives are achieved.

Questions from Senator John McCain

1. GAO recently reported that the Office of Management and Budget had not fulfilled several requirements of the Federal Funding Accountability and Transparency Act of 2006. One requirement was that sub-award data be included on USASpending.gov. This data was required to be included on USAspending.gov by January 2009. What has been the cause of the delay? When will this data be included on the website?

Response:

This Administration is committed to collecting subaward data, and is committed to doing so. A clear lesson from the Federal Government's experience with Recovery.gov is that, given the numerous stakeholders involved in the Federal spending process and the complexity of underlying systems, all efforts to improve transparency must include thoughtful consideration of the costs and benefits of various implementation approaches and the involvement of stakeholders both within and external to the Federal government.

At the end of the previous Administration, OMB had:

- Not developed a project plan for how the subaward reporting requirements would be met, did not have a dedicated project manager in place or any dedicated staff capacity,

[8] White House Open Government Initiative Website, http://www.whitehouse.gov/open/about

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and had not completed an evaluation of the resources required to meet the subaward requirements of the law;

- Not developed or requested funding for the extensive IT infrastructure required for the collection and reporting of this information. This system must be able to handle inputs from more than 100,000 recipients with appropriate, user-friendly technology, integrate with existing reporting systems, and present data in a user-friendly, value-added way; and
- Not issued the regulations and guidance necessary for Federal agencies to require this reporting from recipients as a condition of receipt of funds.

These are critical steps for the collection and reporting of sub award information, and would have needed to be in place early last fall for OMB to have met the January 1, 2009, deadline for the reporting of subawards.[9] This Administration has made great progress in tackling these steps.

Since January 2009, the Administration has been working to fulfill OMB's statutory responsibilities of FFATA as quickly and efficiently as possible.[10] In February 2009, the Administration launched Recovery.gov and a few months later, FederalReporting.gov, bringing transparency to award and subaward information for spending under the American Recovery and Reinvestment Act (ARRA). Since then, we have had the opportunity to learn from the implementation of ARRA subaward reporting, and are incorporating lessons learned and best practices into our planning for the broader set of subaward reporting requirements under FFATA.

2. When comparing contract records provided by the awarding agencies to the corresponding data listed on USASpending.gov, GAO cited numerous inconsistencies or instances of missing data.

a. What is OMB doing to provide guidance to agencies on data quality management?

Response:

OMB is working with the GSA in addressing inconsistencies in contracting data on USASpending. Through weekly meetings, we have identified solutions for resolving discrepancies. As part of OMB's FFATA and Open Government implementation, agencies have been provided guidance related to improving data quality and verifying accuracy of contracts data in the Federal Procurement Data System which will facilitate improved data quality on USAspending.

[9] 4/17/2009Orszag letter to Sen. Coburn
[10] Sen. Coburn's QFRs from Peter Orzag's nomination hearing (1/14/2009).

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b. How is OMB following up with agencies to guarantee the integrity of the data they provide to OMB-managed web portals such as USASpending.gov?

Response:

Maintaining accuracy of data is primarily the responsibility of agencies and their senior accountable officials. OMB is facilitating improved data quality through additional guidance, such as that issued in OMB Memorandum M-09-19 and standardization of data definitions such as found in the Federal Procurement Data system for contracts.

Another way to improve data quality is to apply strong validations against data before it is allowed to enter the system. This is currently in place for the contracts data. Assistance data goes directly from agencies into USAspending. The Data Submission and Validation Tool (DSVT) is used to apply business-driven validation rules against incoming data, to prevent or warn agencies about potential data issues. DSVT validations continue to improve as OMB works with agencies to add new and tighter validation rules on an ongoing basis.

By coordinating ongoing communications and continued evolution of standards and guidance, OMB can play a key role in improving data accuracy. Through staff-level interactions such as the weekly conference call with subject matter experts, or by establishing senior accountable officials and providing guidance and direction under the Open Government Directive, OMB has used its policy and coordinating role to create a framework for better data. Ultimately however, the agencies are responsible for providing and verifying the accuracy of the data they create and submit.

3. Inconsistent interpretation and implementation of various open government initiatives among different agencies seems to be a common criticism. It has been highlighted in both GAO's review of FFATA compliance, and recent news articles evaluating the dedicated Open Government websites of each individual agency. Why is inconsistency such a problem? Is it a result of shortcomings in the guidance and direction from OMB or a lack of priority and attention from executive agency leadership?

Response:

The challenge in achieving consistency in reporting rises from the fact that each Federal agency has unique programmatic goals, and to further those goals each agency has historically tailored program-specific management practices. Further, standardization of reporting has been challenging because of the relative autonomy agencies have had historically in interpreting and implementing guidance and the absence in many cases of government-wide consistent standards for all of the different types of programs and data agencies manage. In this new era of transparency, such inconsistencies aren't new; they are just much more obvious. Achieving

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true consistency as is necessitated by various open government initiatives requires a deeper level of standardization of systems, processes and data and this work takes leadership, time and commitment of attention and resources. The Administration recognizes that such consistency cannot happen overnight, which is why we have laid the groundwork for building these cross-governmental standards through the Open Government Directive. Major progress has been made in the last year, and we continue to drive quality and timeliness through the Open Government Directive and collaboration with agencies . However, more work needs to be done.

4. GAO points out that certain data fields in USASpending.gov are consistently missing, such as the titles describing the purpose of the award. GAO explains that these errors can be attributed, in part, to a lack of specific OMB guidance on how agencies should fill in these data fields.

a. When will OMB provide guidance to agencies for completing contract data information, including award descriptions?

Response:

Improving data quality is one of the key initiatives in the OMB Open Government efforts. Agencies are now required to submit data quality improvement plans to OMB and these include consideration of contracting data. OMB is working with agencies and GSA in implementing the April 6, 2010 guidance on transparency in Federal spending. This effort includes improving the collection and display of contracting data and solutions may include additional guidance or workforce outreach.

b. Will a contract or grant on the new USASpending.com 2.0 be searchable by description, for instance by using a keyword search? If not, is this possible?

Response:

Yes, every field in every record is now indexed in the improved search feature of USAspending.gov 2.0.

c. In its current form, USASpending.gov is difficult to navigate and search for the general public. What do OMB's updates for the website include that improve its user interface and allow an average American to better understand and interpret federal award data?

Response:

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The original USAspending website was purchased from a third-party and was never designed to be able to perform complex ad hoc queries or accommodate the eventual influx of subaward data. USAspending.gov 2.0 is live and available today. It was designed as a flexible high-performance querying tool, scalable enough to handle exponential future growth in data. The following top ten improvements have been made to enhance the user experience and make Federal spending data more accessible to the general public:

1. Compare spending across agencies – understand types of agency spending understand types of agency spending
2. View agency spending dashboards - see how and where agencies are spending money and who the recipients are
3. Explore spending trends with interactive charts – use interactive motion charts to see how spending trends have changed from year to year
4. See spending where you live – use interactive maps to see dollars being spent in your state
5. Quickly find what you are looking for – use interactive search features to customize your search across multiple dimensions
6. Filter, analyze and share – share your feeds, exports and results with friends via social book-marking and RSS feeds
7. Analyze contract and award transactions – review all transactions for a single contract or award in one simple list
8. Download bulk data – download all spending data for offline analysis
9. Get spending updates every day – access new spending data on a daily basis
10. Expect more transparency – look for more spending data in the future as 2.0 is engineered to support full FFATA compliance

5. Currently, the website Earmarks.gov is basic in format and its search capabilities are limited.

a. Are there any current or future plans to update Earmarks.gov to make it more user-friendly and expand its search capabilities? For instance, by allowing a user to search by sponsoring member?

Response:

Existing search functionality in Earmarks.gov is limited, but users can search for sponsors by entering the sponsor name in the search field. However, the existing search may also pick up items that were not sponsored by the member (e.g., if the earmark name includes a name that is also a member's name).

The existing Earmarks.gov search tool is being modestly modified to allow search results to be filtered by various data elements, such as sponsor. In addition, FY 2009 earmarks data will be

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displayed via drill down paths by state and agency (as it was in FY 2008) and will also be displayed by sponsor.

OMB is also exploring leveraging the robust search functionality of the USAspending.gov platform.

b. Detailed data, including recipient information, was just recently updated for fiscal year 2008. When will detailed data from fiscal year 2009 be available on the website? What can be done by OMB and the agencies submitting the data to reduce the time it takes to get the detailed data posted to the website?

Response:

FY 2009 detail distribution data (recipients and beneficiaries) will be updated as Federal departments and agencies complete their review and execution of enacted FY 2009 appropriations. This data is collected after the fiscal year ends in an attempt to collect better data since more time has passed for agencies to execute earmarked appropriations. FY 2009 detail distribution data is scheduled to be completed and posted on the Earmarks.gov website in the fall of 2010.

c. Are there any plans for OMB to incorporate the data from Earmarks.gov into contracting data from USAspending.gov so that contract funding can be traced to a specific earmark? If not, could this capability be added in the future?

Response:

OMB is exploring ways to improve data collection and display, and integrate the data of various websites. This can prove challenging for systems with different data elements. For example, the earmarks.gov and USAspending.gov have different bases (Earmarks.gov is by year appropriated and USAspending.gov is by year of obligation and USAspending.gov does not include the year appropriated).

However to improve transparency, for earmarks that are for specific contracts and grants, OMB expects to require agencies to report Dun and Bradstreet Data Universal Identification System (DUNS) Numbers beginning with the FY 2009 detail distribution data collection.

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