



*Recovery Operations Center*



# **Recovery Accountability and Transparency Board**

**2010 Annual Report**



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*Photo by David Kidd*

## Chairman's Message

For the Recovery Accountability and Transparency Board, this past fiscal year was marked by challenges, changes, growth, and opportunity. In creating the Recovery Board, Congress directed us to track how tax dollars are being spent and to make sure those funds are not wasted or stolen.

That's a big assignment but I believe we have delivered on that mission. Looking back, the Board and staff created an innovative oversight program and added features and functions to Recovery.gov that have vastly improved the public's access to spending information and programs.

In October, we unveiled our latest enhancements to Recovery.gov, making it easier for users to navigate the site and understand the Recovery program. The home page was redesigned, giving various stakeholders easy access to the specific information they might be seeking. Technical features were added, including widgets that allow users to embed data from Recovery.gov on their own web pages.

In my judgment, the Board has been a model both for open government and innovation. Transparency demands that data on our website *must* be easily accessible and presented in such a way that users can understand the information. With that in mind, we have continually pushed for data quality in recipient spending reports—an essential ingredient if those reports are to be truly transparent. Our work has paid dividends: recipients are filing more accurate reports, and the number of non-compliers has dropped significantly.

On the accountability side, the Board has developed an outstanding oversight program. Fraud occurs on a continuum, and we are working extremely hard to identify possible misdeeds in the initial stages or prevent them from ever happening. In making prevention a priority, we are working closely with federal and state auditors and investigators.

Our state-of-the-art Recovery Operations Center serves as the foundation of our oversight efforts. The operations center gives the Board's expert analysts the technical capability to sort through massive amounts of data and pinpoint irregularities, questionable connections, and indicators of fraud. Their findings are sent to the relevant Inspector General or to the



federal agency that issued the award. Our Special Programs Unit, which combs through Recovery awards on a daily basis, supports the operation center's analysis.

This oversight job, of course, could not be done effectively without the support of the Inspector General community. We are in constant contact with the 29 Inspectors General who keep track of Recovery contracts, grants, and loans awarded by their agencies; they also have spearheaded training initiatives on fraud awareness and Recovery Act responsibilities at the federal, state, and local level.

We also made history in fiscal 2010. Recovery.gov became the first government-wide system to move to a cloud computing infrastructure, a technology that allows for more efficient computer operations, improved security, and savings for taxpayers. The move also permitted us to focus more intently on our core mission: delivering rich content for Recovery.gov users.

Looking ahead, I do not believe the government can, or will, take a step backward on the issue of transparency. I expect future government spending initiatives to follow the Recovery Board's model. In the meantime, we will continue to pursue excellence in our operations. Our citizens deserve no less.

A handwritten signature in black ink that reads "Earl E. Devaney". The signature is written in a cursive style with a large, looping "D" at the end.

Earl E. Devaney



# The Recovery Board

The Board consists of 12 presidentially appointed Board members and a Chairman. Three standing Board Committees were established in 2009. These committees are responsible for setting the strategic direction to accomplish the accountability and transparency mission of the Board.



## COMMITTEES

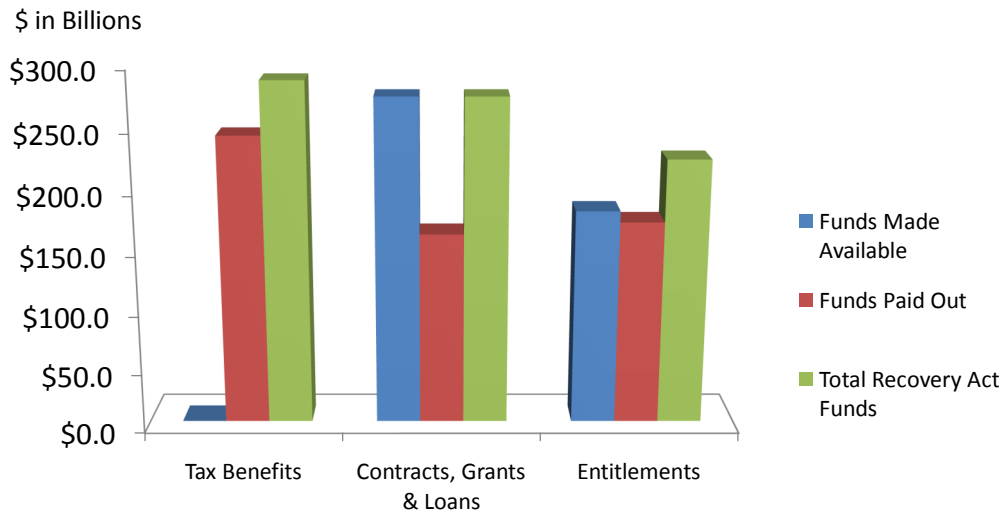
Committee	Board Members	Board Staff
Recovery.gov	J. Russell George Daniel Levinson Todd J. Zinser Gordon Heddell	Mike Wood
Accountability	Richard L. Skinner Glenn A. Fine Gregory H. Friedman Kathleen S. Tighe	Douglas R. Hassebrock
Recovery Funds Working Group	Calvin L. Scovel, III Phyllis K. Fong Mary L. Kendall Eric M. Thorson	John Higgins



# Recovery Act Funding Statistics

## Overview of Funding

The American Recovery and Reinvestment Act of 2009 distributes the \$787 billion as follows:



\$ in Billions	Funds Made Available	Funds Paid Out	Total Recovery Act Funds
Tax Benefits *	--	\$243.4	\$288.0
Contracts, Grants & Loans	\$275.0	\$164.0	\$275.0
Entitlements	\$181.8	\$172.9	\$224.0

*\*Note: The U.S. Treasury does not provide estimates of Funds Made Available for Tax Benefits*



# Accountability: An Age-Old Problem

The Recovery Board's most vital mission, protecting tax dollars, involves a good deal more than prosecuting wrongdoers. Preventing fraud, waste, and abuse from ever occurring in Recovery programs is perhaps even more important.

Chairman Earl Devaney and the 12 Inspectors General who serve with him on the Recovery Board have vast experience in dealing with fraud, and realize that fraud is best defined as behavior occurring on a continuum. Testifying before a Senate subcommittee on August 3, 2010, Devaney explained: "It is helpful to visualize fraud occurring on a continuum... In so doing, we realize that there are an indeterminate number of points between the one end of the continuum – where the would-be lawbreaker first decides to commit the fraud – and the other – when the fraud has been fully completed and the money is out the door."

With that definition in mind, the Board decided shortly after passage of the American Recovery and Reinvestment Act of 2009 to develop an accountability program that would incorporate both traditional and proactive measures to address all stages of fraud. The decision gave birth to an oversight program that combines traditional investigative practices with cutting-edge technology, incorporates a solid education and awareness



*Vice President Biden receives a capabilities demonstration in the Board's Recovery Operation Center.*

component, and leverages the experience of the oversight community to combat fraud, waste, and mismanagement of Recovery money. The key elements of the program are the Recovery Operations Center and the Special Programs Unit.

## Recovery Operations Center

The Recovery Operations Center, launched in November 2009, is central to the Board's efforts to keep a close eye on Recovery money and ensure that contracts, grants, and loans are subjected to comprehensive scrutiny. The operations facility is a state-of-the-art command center that combines analysis with sophisticated software tools, government databases, and open-source information to track the flow of stimulus money. Its primary objective is to serve



as a focused, intelligence-sharing point for the oversight community.

The operations center uses sophisticated screening and analysis of high-risk recipients to develop risk-based resource tools for the oversight community. The analytical tools have been designed to intercept fraud closer to the front end of the fraud continuum.

The Board's skilled analysts look for early warning signs of trouble. They use the software to search massive amounts of data to look for criminal convictions, lawsuits, tax liens, bankruptcies, risky financial deals, suspension and debarment proceedings, and other problems. They employ business rules commonly used in industry to help pinpoint high-risk factors. Once a problem has been identified, the analysts then perform an in-depth review of the award and forward a report to the appropriate agency Inspector General for further inquiry.

Analysts also review information and complaints received from citizens who phone the Hotline service activated on

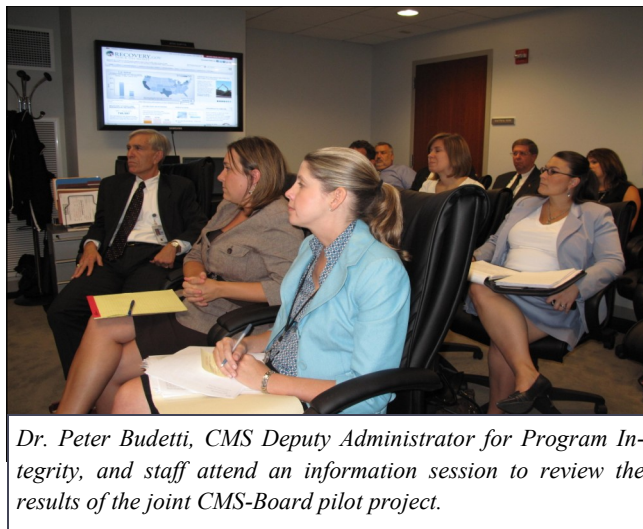
September 28, 2009. In the past year, more than 3,300 calls, emails, faxes and letters from citizens expressing concern about the use of Recovery funds have been received, and 211 have been forwarded to

Inspectors General for additional review.

Meanwhile, other government agencies are taking notice of the operations center. During the summer, the Board's staff conducted a

successful 30-day fraud pilot project with the Centers for Medicare and Medicaid Services. The demonstration developed solid investigative leads that some recipients may have been involved in schemes to defraud Medicare and Medicaid.

Many high-profile visitors have toured the operations center in the past year, including Vice President Biden. During his April 6 visit, the Vice President turned up the heat on recipients of Recovery funds that had failed to file mandatory spending reports with the Board. Addressing reporters during a briefing in the Board's conference room, he said he was delivering "a







very clear and unambiguous message...straight from the Oval Office: not reporting is not acceptable.”

## Special Programs Unit

A more traditional component of the Board’s oversight strategy is the work of its Special Programs Unit. The unit was born out of an initial need to ensure procurement and grants compliance with Recovery Act requirements. In 2010, the Board broadened the unit’s work to focus on unique targets across the spectrum of all Recovery Act award recipients.

For example, the unit examines the databases of several federal contract and spending websites, searching for leads on compliance issues and performance risks. These database reviews form the basis of what the Board terms “observations,” administrative or programmatic issues relating to federal awards.

Observation concerns can include missing transparency data, such as title, description of services, and award recipient information; omitted contract competition data; small business set-aside awards given to large companies; and unfavorable award recipient information, such as bankruptcies, liens, and lawsuits. Since the passage of the Recovery Act, the Board has sent more than 500 observations directly to federal agencies. These observations, covering more than \$18.4 billion in Recovery spending, either are compliance-related or highlight factors indicating performance risk.

Additionally, the in-depth reviews by the Special Programs Unit generate “leads,” a category deemed more serious. These leads are sent to the Recovery Operations Center for further analysis and then passed along to agency Inspectors General for investigation or other action.

### Recovery IGs in Action

#### CASH MANAGEMENT LACKING

##### Office of Inspector General, Department of Education

Distributing funding swiftly to state and local educational agencies is a key component of the Department of Education’s Recovery Act work. The ED-OIG, in an alert memorandum to the department, pointed to cash management problems in the funding arrangements. Audits in seven states and Puerto Rico identified instances in which state educational agencies’ cash management systems disbursed Recovery funds without knowing whether local educational agencies were ready to spend the money. Further, the states did not ensure that local agencies paid interest on advanced Recovery funds. Education officials should examine the most effective methods to address cash management issues, the OIG report said, and assist state and local educational agencies to ensure funds are expended effectively.



The work of the Special Programs Unit has produced results, including cancellation of grants and contracts and debarment of recipient companies. In one case, a federal agency canceled a company's contracts worth more than \$7 million after Board staff analysis showed that the recipient had been debarred.

## Education and Awareness

The complexity of the Recovery Act and the speed with which funds are allocated increases the potential of fraud and/or waste. In the front end of the fraud continuum, the failure of federal agencies to enforce regulations or monitor contracts, grants, and loans can put the government at higher risk for fraud and waste. To combat this problem, the Board and its staff and federal oversight partners have conducted more than 1,600 training sessions, reaching more than 112,000 individuals with sessions on Fraud Awareness and Detection, Section 1512 Reporting Requirements, Grants and Contracts Management, Single Audits, and Program Compliance. Table 1 provides training information by type and audience.

Additionally, the Board has developed an aggressive educational outreach program aimed at the public, Congress, professional organizations, and the news media. This outreach includes providing background on the Recovery Act and tech-

nical information for tracking funds on Recovery.gov to these various stakeholder groups.

Table 1

Type of Training	% of Total
Fraud Prevention	52.2%
Recovery Overview	21.8%
Grants and Contracts Management	12.5%
Single Audit	4.3%
Whistleblower	1.2%
Suspension/Debarment	1.1%
All Other	6.9%

Target Audience for Training	% of Total
Federal	56.3%
Mixed	22.3%
State	12.7%
Private	5.8%
Local	1.7%
Tribal	0.2%
All Other	0.9%

*Data from 2/17/2009 through 9/30/2010*

The Board, through its social media outlets, provides detailed information on Recovery projects and spending, and encourages the public to report potential fraud, waste, and mismanagement of Recovery funds in their communities.



## The Power of Partnership

The Board, though, cannot accomplish its oversight mission without strong partners. Its prevention strategy centers on a close working relationship with the offices of 29 Inspectors General responsible for overseeing Recovery funds distributed by 28 federal agencies. They are tenacious partners in the Board's anti-fraud and waste efforts, initiating more than 750 investigations along with several hundred audits and reviews since the beginning of the Recovery program.

The OIG's scorecard tells the tale. Their work has covered a wide range of topics, including agency performance, accounting procedures, improper payments, contracting practices, and data quality. They conducted 117 audits of grant recipients and 76 other reviews of grants under the program. There

were 24 reviews involving contracts, and 57 involving loans. In addition, the OIGs have conducted 32 reviews related to data quality and issued 16 reports on risk assessment and risk assessment best practices. Table 2 identifies the key oversight statistics through September 30, 2010.

The Board recently teamed up with a working group from the Council of Inspectors General on Integrity and Efficiency or CIGIE to explore ways to improve and encourage the use of the suspension and debarment process in safeguarding the use of federal funds. The collaboration included a jointly sponsored one-day seminar in which the oversight community shared current suspension and debarment practices and remedies. Attendees included IGs, investigators, auditors, analysts, and attorneys.

The Board also is working closely with the Department of Justice to protect

## Recovery IGs in Action

### A 'PERFECT STORM'

#### Office of Inspector General, Department of Transportation

In an audit, the DOT-OIG criticized the failures of the agency's suspension and debarment program, citing untimely decisions, unreliable data, and inadequate oversight. According to the audit, those deficiencies limit the program's effectiveness in safeguarding against awards to improper parties. Unresolved suspension and debarment cases, coupled with DOT's rapid disbursement of Recovery funds, create a "perfect storm" for contract fraud, the audit found. Until reforms are made, the audit said, the agency will continue to risk awarding billions of dollars to parties that have been suspended or debarred. Since the OIG report, DOT has been updating its suspension and debarment procedures.



# Oversight Statistics

Table 2

Recovery IGs	Key Statistics Through September 30, 2010
Agency for International Development Amtrak Corporation for National and Community Service Department of Agriculture Department of Commerce Department of Defense Department of Education Department of Energy Department of Health and Human Services Department of Homeland Security Department of Housing and Urban Development Department of the Interior Department of Justice Department of Labor Department of State Department of Transportation Department of the Treasury Department of Veterans Affairs Environmental Protection Agency Federal Communications Commission General Services Administration National Aeronautics and Space Administration National Endowment for the Arts National Science Foundation Railroad Retirement Board Small Business Administration Smithsonian Institution Social Security Administration Treasury Inspector General for Tax Administration	Recovery Board and All Inspectors General <sup>-1/</sup>  Complaints 4,809 Received  Investigations { <ul style="list-style-type: none"> <li><u>577</u> Active</li> <li><u>22</u> Convictions, Settlements, Pleas, and Judgments</li> <li><u>31</u> Prosecution Declined</li> <li><u>37</u> Referred for Alternative Resolution</li> </ul>
	Audits, Inspections, Evaluations and Reviews <sup>-2/</sup> <ul style="list-style-type: none"> <li>433 Active</li> <li>750 Completed</li> </ul>
	Reprisal Allegations 75 Received
	<sup>-1/</sup> Includes 29 OIGs with Recovery Fund Oversight <sup>-2/</sup> Includes Published and Unpublished Reports



tax dollars. In November 2009, President Obama created the Financial Fraud Enforcement Task Force, which includes a working group focused on addressing Recovery fraud. The Recovery Act Fraud Working Group is coordinating a national strategy that draws on the resources of the Justice Department, other law enforcement agencies, regulatory authorities, and Inspectors General throughout the Executive Branch. The focus: to combat fraud and ensure that the Recovery program is conducted in an open, competitive, and non-discriminatory manner.

Chairman Devaney is one of three co-chairs of the working group. The others are Lanny Breuer, the Assistant Attorney General in charge of the Criminal Division, and Christine Varney, the Assistant Attorney General in charge of the Antitrust Division.

The Board's collaborative efforts reach beyond the oversight community to

schools, civic organizations, and even other countries interested in accountability and transparency. In civics classes, teachers across the United States are increasingly using Recovery.gov and the Board's operations as a model of good government. The Board is working with local educators to develop a unique Recovery.gov learning center program that will interact with teachers.

Others around the globe are paying close attention to the Board. In April, Dutch officials visited the Board's headquarters to discuss oversight and transparency initiatives. In July, Chairman Devaney testified in Brussels, Belgium, before the European Commission Committee on Budgetary Control. He spoke about the growing importance of open government, a subject of vital importance to members of the European Union interested in bringing more accountability and transpar-

## Recovery IGs in Action

### FAULTY OVERSIGHT

#### Office of Inspector General, Department of Justice

The DOJ-OIG issued several reports relating to grant management activities, including reports on the Office of Justice Programs Edward Byrne Memorial Justice Assistance Grants; the Office of Community Oriented Policing Services (COPS) Hiring Recovery Program; and the Office of Violence against Women's (OVW) grant programs. In the Byrne program, the OIG found inconsistent treatment of grant applicants and deficiencies in the peer review processes used to evaluate applicants. OIG audits found inaccurate scoring formulas were used to select some COPS program grantees, and also discovered peer review scores that were incorrectly calculated for OVW program awards. DOJ is correcting these deficiencies. In addition, the OIG has trained 5,280 grant program managers on fraud awareness and conducted 104 outreach sessions with state and local oversight agencies.



ency to their government spending programs.

Chairman Devaney also addressed an international gathering of government officials who participated in a Washington, DC, workshop on anti-corruption initiatives. The workshop was organized with support from the U.S. Department of State, the European Union, the United Nations Office of Drugs and Crime, the Belgian Foreign Ministry, and the World Bank Public Sector Governance Unit and Stolen Asset Recovery Secretariat.

In the first year-and-a-half of the Recovery program, fraud, waste, and mismanagement have been kept to a minimum. Major prosecutions no doubt will eventually emerge. But by focusing on analysis, education, and training, the evidence is clear that the Board and its partners have been able to prevent widespread misuse of taxpayers' dollars.



Photo courtesy of the European Parliament

*Earl Devaney and other American and European transparency experts at the European Union Parliamentary Committee on Budgetary Controls in Brussels, Belgium.*



# Transparency: The Road to Open Government



Transparency has been the watchword on the road to improved data quality and easy access to that information. The Recovery Board's first annual report focused on the challenges of building two highly technical and complex websites, [FederalReporting.gov](http://FederalReporting.gov) and [Recovery.gov](http://Recovery.gov), to collect recipient-reported data on Recovery spending and to display that information in a user-friendly, transparent fashion. During the past year, the Board worked to improve the functionality of the websites and the quality of data being re-

ported by recipients. Enhancements to [Recovery.gov](http://Recovery.gov) were added to help people, from average citizens to sophisticated data users, find the information they need—whether in their own neighborhood, their state, or around the country.

## Recipient Reporting and Data Quality Issues

Requiring recipients of federal Recovery funds to file detailed reports on their use of the money is a new concept, and it took a major effort to get the word



out to state and local governments and to recipients about what was necessary and how and when the reporting would take place. The first reporting period began in October 2009 and covered the period from February 2009, when the Recovery Act was passed, to September 30, the end of the fiscal year. From that point on, reporting has occurred on a quarterly basis. Five reporting cycles have now been successfully completed.

The early stages of reporting were rocky. Some recipients did not understand how to calculate jobs funded by Recovery money or they entered incorrect zip codes and congressional districts. The Board addressed the zip code and congressional issues by adding a series of internal logic checks to FederalReporting.gov that ensured recipients could not submit reports with errors of that type. The Office of Management and Budget

(OMB), meanwhile, issued new guidelines on how to calculate Recovery jobs, eliminating much of the early confusion surrounding the jobs reporting.

Supported by federal, state, and local stakeholders, the Board took another major step to improve the consistency and reliability of recipient reports. It decided to allow recipients to revise their reports continuously after the reporting period ended rather than waiting for the next period to correct errors.

Over time, recipient compliance with reporting requirements has steadily increased. For the first reporting period, an estimated 92 percent of prime recipients filed reports on their Recovery projects. By the end of the fifth reporting period in October 2010, nearly 100 percent of all prime recipients had filed, and the quality of information they reported had steadily improved as well.

## Recovery IGs in Action

### WEATHERIZATION OVERSIGHT

#### Office of Inspector General, Department of Energy

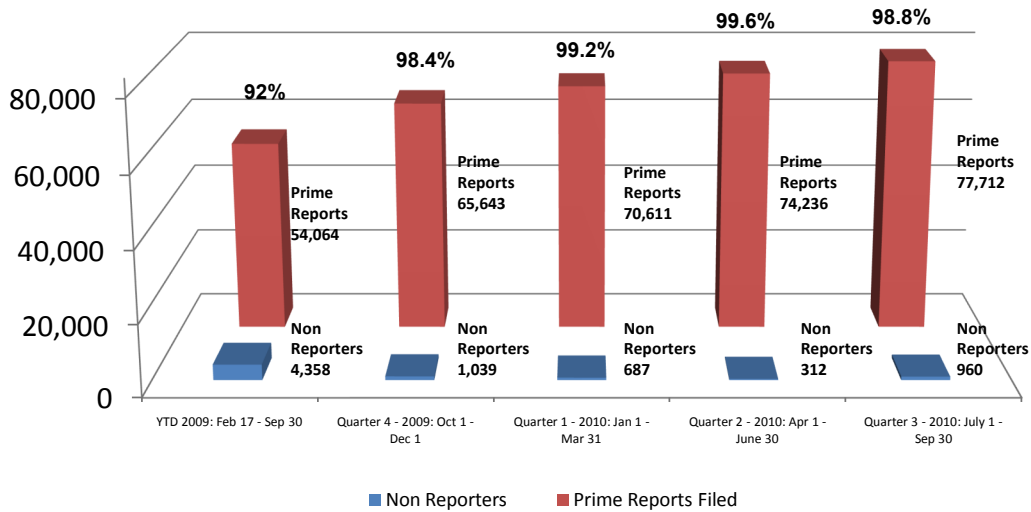
The DOE-OIG has been ensuring coverage of \$11.3 billion in Recovery Act funds allocated to the department's Weatherization Assistance Program, Energy Efficiency and Conservation Block Grant Program, and State Energy Program. The OIG issued 13 audit reports identifying internal control weaknesses and containing recommendations for the department to implement as it moves forward with these three important programs. The recommendations were designed to improve ongoing oversight and reduce the risk of fraud, waste, and abuse. In response, DOE's actions to date include: enhancing internal controls for reviewing billings and seeking reimbursement for erroneous charges; updating funding allocation formulas; obligating and spending funds in a timely manner; and accounting and tracking expenditures.



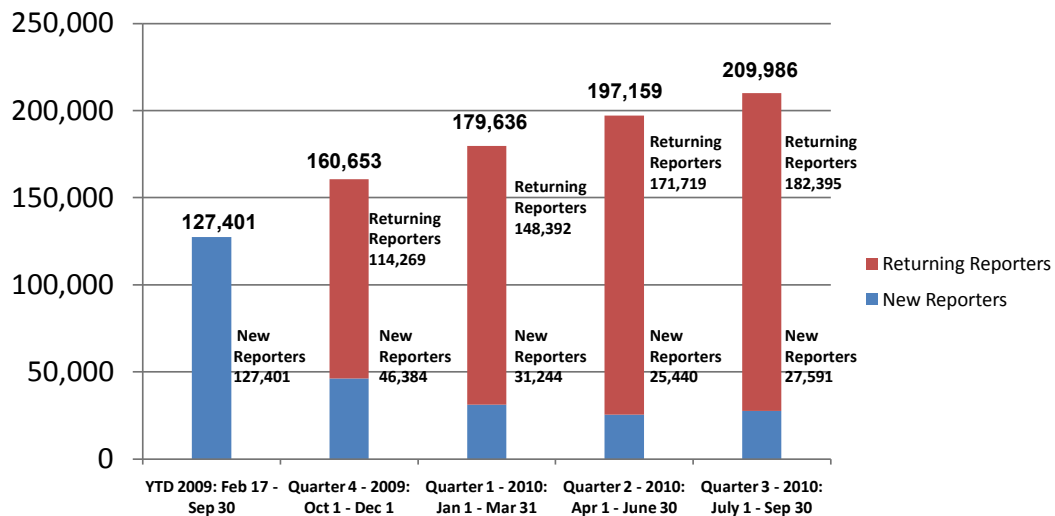


# Recipient Reporting Statistics

## Percentage of Recipient Reports Filed



## New vs. Returning Recipient Reporters





Still, ensuring the accuracy of recipient-reported data has been a moving target for the Board. The Recovery Funds Working Group, known informally as the G-29, consists of the 29 Inspectors General responsible for overseeing their agencies' Recovery spending. The group has provided invaluable assistance to the Board by taking on projects that highlighted areas needing greater attention. All the G-29 reviews and reports are posted on [Recovery.gov](http://Recovery.gov).

One project took an in-depth look at the data quality review processes at six agencies and found widespread discrepancies in how recipient reports were examined for errors and omissions. That report was prepared by the Office of Inspector General Phyllis Fong of the Department of Agriculture (USDA). It incorporated information from OIG reviews at USDA, the General Services Administration (GSA), the Department of

Housing and Urban Development (HUD), the Department of Defense (DoD), the Environmental Protection Agency (EPA), and the National Science Foundation (NSF). The report contained a number of recommendations to improve the verification and accuracy of recipient-reported information and consistency among agencies relating to actions taken to address reporting errors.

One recommendation – the establishment of a uniform, consistent, government-wide award numbering system for all government awards - has been championed by Chairman Devaney in testimony before a Senate oversight panel and in discussions with other public officials and news reporters. The Board believes that the lack of a uniform numbering system is a major obstacle to providing full transparency and oversight for Recovery spending and other federal outlays.

## **Recovery IGs in Action**

### **PROTECTING CHILDREN**

#### **Office of Inspector General, Department of Health and Human Services**

The HHS-OIG found that some Head Start grantees jeopardized the health and safety of children by failing to consistently comply with federal and state requirements. The program was designed to provide low-income children with health, educational, nutritional, and social services. Congress appropriated \$7.1 billion in FY 2009 for the program's regular operations; the Recovery Act provided an additional \$2.1 billion during FYs 2009 and 2010. The OIG completed health and safety reviews at 21 Head Start grantees' operations, identifying serious deficiencies. These included: employee files lacking evidence of all required background checks; facilities not meeting all federal and state requirements for protecting children from unsafe materials and equipment; and facilities failing to provide a fully secure environment for the children.



Another G-29 study, led by the Office of Education Inspector General Kathleen Tighe, found problems with job data reporting in the quarter ending December 31, 2009. OIGs at the NSF, Department of Health and Human Services (HHS), the Department of Homeland Security (DHS), and the Department of Labor (DOL) assisted with the study.

In another report, HHS IG Daniel Levinson and a team of IGs evaluated the processes that agencies had in place for reviewing recipient-reported data prior to the first reporting period in October 2009. Responding to a survey, 21 agencies said they had established limited data quality review processes, and 17 of them reported also having systems in place to notify recipients if they needed to fix errors in their reports.

Subsequently, after the first round of recipient reports were found to be filled with inaccuracies, Transportation IG Calvin Scovel III and IGs from six other agencies—

DoD, Education, HHS, DOJ, Interior, and GSA—looked deeper into the data quality issue. They cited human error and also said that recipients had misinterpreted OMB and agency guidance and had difficulty submitting information to FederalReporting.gov. To improve future reporting, the IGs noted, the Recovery Board had implemented a number of hard and soft edit checks in FederalReporting.gov, and OMB and the agencies have issued more detailed guidance to assist recipients in filing reports.

Another G-29 initiative focused on staffing issues faced by the agencies distributing Recovery funds. Commerce IG Todd Zinser and a team of IGs reviewed responses to a survey from more than 500 divisions in 26 agencies distributing Recovery funds. The survey showed that 41 percent of respondents from the three largest agencies—DoD, HHS, and Interior—viewed Recovery contracts and grants staffing as inadequate. Moreover, 45

## **Recovery IGs in Action**

### **STAFF SHORTAGES HINDER OVERSIGHT**

#### **Office of Inspector General, Department of Homeland Security**

Six components of Homeland Security administer Recovery Act funds of \$2.75 billion. Of the six components, the Transportation Security Administration (TSA) and the Federal Emergency Management Agency (FEMA) reported that they do not have sufficient staff to adequately award and monitor Recovery Act funds. As a result, they forecasted decreased oversight on both Recovery Act and non-Recovery Act agreements. Regarding qualifications of staff required to have training, all components said that their acquisition and grant staff, for the most part, would meet training requirements. The information for this report was obtained from responses to a survey prepared by the Recovery Board.



percent said the staffing levels were adequate but that there was enough work that non-Recovery Act activities would suffer. For the other responding agencies, the staffing was described as inadequate by 23 percent.

## Improving Recovery.gov and Moving to the Cloud

Intent on breaking down barriers of misunderstanding, encouraging public discourse and bringing citizens into the decision-making process, the Board developed a series of Recovery.gov improvements during FY 2010. The Board and its staff embarked on the ambitious improvement plan after close consultation with various stakeholders, including the public.

Additionally, the Board met with the four-member Recovery Independent Advisory Panel, appointed by President Obama in March, and discussed improving Recovery.gov and the Board's operations. The four members – Chris Sale, Steven Koch, Malcolm Sparrow, and Edward Tufte – bring a wealth of real-world experience to Recovery oversight. The group held its first public meeting in August in Cambridge, MA.

Tufte, a professor emeritus at Yale and a noted expert in the visual display of

complex data and qualitative information, created one of the Recovery.gov enhancements, a “Lights-On” map that illuminates the location of individual projects, gradually building from a small number to a vast array of lights across the country as the Recovery program gained momentum over the past 18 months.

Other website enhancements include a new “Looking For?” navigational tab that provides shortcuts for average citizens, members of the media, and website developers to find information on Recovery.gov. The home page has been redesigned and now includes a revolving carou-



*Independent Advisory Panel Members meet for a planning session at the Recovery Board Office. From Left: Malcolm Sparrow, Edward Tufte, Steven Koch, and Chris Sale.*

sel display of photos and feature stories about the Recovery program. A new Developer Center helps data crunchers get behind the numbers and create their own mash-ups. An Advanced Search Widget



and a State Summary Widget let visitors delve more deeply into the site and find specific information.

Further, Recovery.gov is using social media to connect with people interested in the Recovery program. The Board has linked up with nearly 6,000 followers on Twitter, and has almost 4,000 Facebook fans. Board videos on YouTube have been viewed more than 100,000 times. A new Recovery Blog was launched with the aim of encouraging discussion of the Recovery program and the Board's initiatives. Visitors can upload Recovery-related photos on Flickr.

FY 2010 also was one for the history books. Recovery.gov became the first government-wide system to move to a cloud computing infrastructure, a decision that achieved more efficient computer operations, improved security, and significantly reduced costs. Vivek Kundra, the White House Chief Information Officer, praised the step as helping the federal government "be a leader in pioneering the use of new technologies that are more efficient and economical."

More details on the decision to move to a cloud computing infrastructure and how the move was achieved are included in a Board White Paper describing the building of Recovery.gov and FederalReporting.gov.

The Board also issued a second White Paper detailing the benefits of moving to a uniform award numbering system for federal contracts, grants, and loans. The White Papers can be found on Recovery.gov.

Recovery.gov has won more than a dozen national awards in the past year, including being recognized as an Official Honoree in the 14<sup>th</sup> Annual Webby Awards competition. The Recovery.gov

site was also a winner in the Financial Services Category of the competition, which drew newly 10,000 entries from more than 60 countries.

FederalReporting.gov was honored by Govern-

ment Computer News as one of 10 winners of the annual GCN Awards for "Outstanding Information Technology Achievement in Government," and



*Federal CIO Vivek Kundra (left) and Chairman Earl Devaney participate in a teleconference with reporters on the Recovery Board's move to the Cloud.*



Recovery.gov was recognized by Information Week 500 as a government innovator for its move into cloud computing.

“While other federal agencies tiptoe into cloud computing, the Recovery Accountability and Transparency Board jumped in with both feet,” the Information Week 500 award citation read.

Honors like these strengthen the Board’s resolve to forge ahead with technological innovations and website improvements that will serve as a model for federal government agencies long after the Board’s statutory authority expires in 2013.

**RECOVERY.GOV**  
TRACK THE MONEY

**AWARDS WON BY RECOVERY.GOV**

- 2010 Official Honoree in the Financial Services category -- The 14th Annual Webby Awards
- 2010 Gold Addy Award from the Ad Club of Metropolitan Washington
- 2010 Silver-- Gold Screen Award from the National Association of Government Communicators
- 2010 Award of Distinction -- The 16th Annual Communicator Awards
- 2009 A Merit Award given by MeriTalk, a government-related IT network

### Recovery IGs in Action OVERSEEING \$6 BILLION

#### Office of Inspector General, Department of the Treasury

In conjunction with the Recovery Board’s government-wide review of staffing levels involved in Recovery Act oversight, Treasury’s OIG took a closer look at the agency’s responses on the number of individuals involved in overseeing the Recovery funds and the adequacy of their training. The OIG determined that data prepared by Treasury on staffing levels, qualifications, and training was not reliable. As a result, the Department resubmitted survey data to the Recovery Board and agreed to address issues identified once reliable data was obtained. However, the OIG continues to have concerns about the limited number of personnel overseeing the \$6 billion- plus payments-in-lieu-of-tax-credit programs.



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## Appendices: [In This Section](#)

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### Appendix A:

- Congressional Appearances

### Appendix B:

- Independent Advisory Panel

### Appendix C:

- Recovery Oversight Funding



## Appendix A: Congressional Appearances

Recovery Board Chairman Earl E. Devaney testified two times in Fiscal Year 2010 before House and Senate oversight committees. He met individually as well with congressmen and senators to discuss the evolution of the Recovery Board's operations, answer questions and provide updates.

Here is a list of House and Senate committees where Devaney testified:

- Senate Subcommittee on Federal Financial Management, Government Information, Federal Services and International Security, August 3, 2010. Devaney discussed transforming government through innovative tools and technology.
- House Committee on Oversight and Government Reform, November 19, 2009. Devaney outlined the activities of the Recovery Board and the results of the historic first recipient reporting period.

Several Inspectors General whose agencies are involved in the expenditure of Recovery funds have testified before Congress to keep members apprised of progress in distributing the Recovery monies and monitoring the expenditure of those funds.

The following is a list of those appearances:

- Ted Alves, Inspector General, AMTRAK, testified on April 29, 2010, before the Subcommittee on Transportation, Housing and Urban Development, and Related Agencies, Committee on Appropriations, United States Senate. Hearing titled: "Opportunities and Challenges Facing Amtrak in FY 2011 and Beyond."
- Patrick P. O'Carroll Jr., Inspector General, Social Security Administration, testified, on April 27, 2010, before the Committee on Ways and Means Subcommittee on Social Security Subcommittee on Income Security and Family Support. Hearing titled: "Joint Hearing on the Social Security Disability Claims Backlogs."
- Calvin L. Scovel III\*, Inspector General, Department of Transportation (DOT), testified on March 18, 2010, before the House Committee on Oversight and Government Reform regarding weaknesses in the DOT's Suspension and Debarment Program.





- Patrick P. O’Carroll Jr., Inspector General, Social Security Administration, testified on December 15, 2009, before the Committee on Ways and Means Subcommittee on Social Security & Committee on Transportation and Infrastructure Subcommittee on Economic Development, Public Buildings, and Emergency Management. Hearing titled: "Joint Oversight Hearing on the Recovery Act Project to Replace the Social Security Administration’s National Computer Center."
- J. Russell George\*, Treasury Inspector General for Tax Administration, testified on October 22, 2009, before the Committee on Ways and Means, Subcommittee on Oversight, U.S. House of Representatives in a Hearing titled: "Administration of the First-Time Homebuyer Credit."

\* Inspectors General who are members of the Recovery Accountability and Transparency Board.

In addition to appearances identified in this section, Board members, Inspectors General, and Board staff have also made presentations at numerous Recovery meetings, conferences, training and informational sessions. The table below shows the training and outreach statistics from February 17, 2009, through September 30, 2010, for the Recovery Board and all Inspectors General.

Training Sessions Provided	1,601
Number of Persons Trained	112,703
Hours of Training Provided	176,827
Outreach Sessions Conducted	801



## Appendix B: Independent Advisory Panel

Acting under the American Recovery and Reinvestment Act of 2009, President Obama announced in March the four appointees to the Recovery Independent Advisory Panel. These four panel members will recommend ways to assist the Board in its mission of finding and minimizing fraud, waste and abuse in the Recovery program. The panel members are:

**Steven Koch**, a vice chairman and co-chairman of Credit Suisse's Mergers and Acquisitions Group. Mr. Koch joined Credit Suisse in 1985. He also teaches at the Director's Consortium, a semi-annual seminar he helped to organize that is sponsored by the Amos Tuck School of Business Administration at Dartmouth, the University of Chicago Booth School of Business, Stanford Graduate School of Business and the Stanford Law School.



**Chris Sale**, a vice president for Development Finance at CHF International where she provides guidance and informs policy for the CHF International's micro-enterprise, housing finance and small-to-medium enterprise lending programs. Ms. Sale has more than 20 years experience in finance and development, having served as the deputy advisor for External Relations for the Inter-American Development Bank, deputy to the chairman and CFO of the FDIC, COO of the U.S. Small Business Administration, among other positions. Ms. Sale is currently a fellow of the National Academy of Public Administration, and the Finance and Investment Chair for the National Partnership for Women and Families.



**Malcolm K. Sparrow**, a professor of the Practice of Public Management at Harvard's Kennedy School of Government, where he has taught since 1988. Before joining the Harvard faculty, Dr. Sparrow served 10 years with the British Police Service, rising to the rank of Detective Chief Inspector. At Harvard, Dr. Sparrow has focused on the risk management challenges faced by regulatory and law enforcement agencies. He is the author of several books and has worked closely with U.S. and overseas regulators on issues including crime, terrorism, corruption, fraud, environmental protection, safety management and regulatory compliance.





**Edward Tufte**, a Professor Emeritus of political science, statistics, and computer science at Yale University. Dr. Tufte wrote, designed, and self-published *The Visual Display of Quantitative Information*, *Envisioning Information*, *Visual Explanations* and *Beautiful Evidence*, which together have received 40 awards for content and design. He is a fellow of the American Academy of Arts and Sciences, the Guggenheim Foundation, the Center for Advanced Study in the Behavioral Sciences, the Society for Technical Communication, and the American Statistical Association.



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On August 5, 2010, a public meeting in Cambridge, MA, was conducted with the Advisory Panel. Minutes of the meeting are available on the Board's website [www.Recovery.gov](http://www.Recovery.gov). To contact the Advisory Panel, email [panel@ratb.gov](mailto:panel@ratb.gov).



*Photos from the first public meeting of the Independent Advisory Panel held in Cambridge, MA, on August 5, 2010.*



# Appendix C: Recovery Oversight Funding

## Inspectors General Charged with Recovery Oversight Responsibilities

\$ in Millions

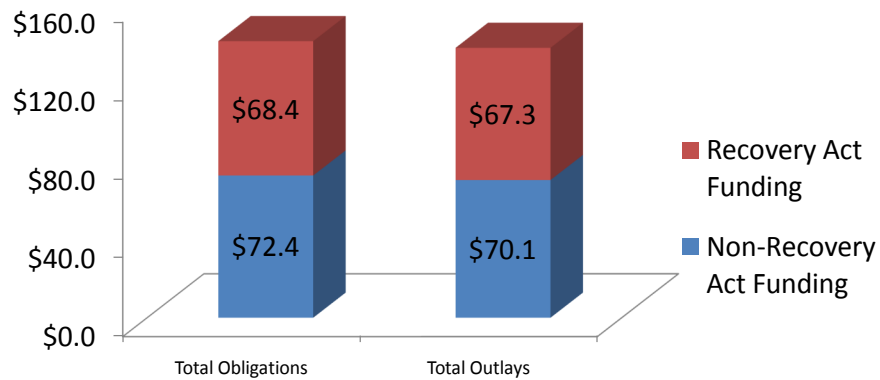
Agency IG	Board Member	Recovery Funds Received	Date OIG Funds Expire	Recovery Funds Obligated	Non-Recovery Funds Obligated	Total Funds Obligated for Recovery Oversight
Agency for International Development		\$0.0	N/A	N/A	\$ 0.5	\$ 0.5
Antrak		\$5.0	2013	\$ 0.6	\$ 0.8	\$ 1.4
Corporation for National and Community Service		\$1.0	2012	\$ 0.4	\$ 0.2	\$ 0.5
Department of Agriculture	✓	\$22.5	2013	\$ 11.9	\$ 8.7	\$ 20.6
Department of Commerce	✓	\$16.0	2013 *	\$ 2.3	\$ 0.8	\$ 3.1
Department of Defense	✓	\$15.0	2011	\$ 7.7	\$ 4.6	\$ 12.3
Department of Education	✓	\$14.0	2012	\$ 3.2	\$ 5.1	\$ 8.3
Department of Energy	✓	\$15.0	2012	\$ 7.0	\$ 3.9	\$ 10.8
Department of Health and Human Services	✓	\$17.0	2012	\$ 6.6	\$ 11.3	\$ 17.9
Department of Homeland Security	✓	\$5.0	2012	\$ 2.2	\$ 0.0	\$ 2.2
Department of Housing and Urban Development		\$15.0	2013	\$ 1.3	\$ 5.3	\$ 6.6
Department of Justice	✓	\$2.0	2013	\$ 0.0	\$ 5.4	\$ 5.4
Department of Labor		\$6.0	2012	\$ 2.6	\$ 7.6	\$ 10.2
Department of State		\$2.0	2010	\$ 1.8	\$ 0.2	\$ 1.9
Department of the Interior	✓	\$15.0	2012	\$ 6.0	\$ 0.6	\$ 6.6
Department of Transportation	✓	\$20.0	2013	\$ 3.9	\$ 6.7	\$ 10.6
Department of Treasury	✓	\$0.0	N/A	N/A	\$ 1.4	\$ 1.4
Department of Veterans Affairs		\$1.0	2011	\$ 1.0	\$ 1.2	\$ 2.2
Environmental Protection Agency		\$20.0	2012	\$ 0.1	\$ 0.0	\$ 0.1
Federal Communications Commission		\$0.0	N/A	N/A	\$ 0.5	\$ 0.5
General Services Administration		\$7.0	2013	\$ 1.9	\$ 2.9	\$ 4.8
National Aeronautics and Space Administration		\$2.0	2013	\$ 0.4	\$ 0.4	\$ 0.8
National Endowment for the Arts		\$0.0	N/A	N/A	\$ 0.1	\$ 0.1
National Science Foundation		\$2.0	2013	\$ 0.1	\$ 1.6	\$ 1.7
Railroad Retirement Board		\$0.0	N/A	N/A	\$ 0.4	\$ 0.4
Small Business Administration		\$10.0	2013	\$ 2.6	\$ 1.1	\$ 3.7
Smithsonian Institution		\$0.0	N/A	N/A	\$ 0.0	\$ 0.0
Social Security Administration		\$2.0	2012	\$ 1.0	\$ 1.0	\$ 2.0
Treasury Inspector General for Tax Administration	✓	\$7.0	2013	\$ 3.7	\$ 0.0	\$ 3.7
	<b>12 Members</b>	<b>\$221.5</b>	<b>23 OIGs Received Funds</b>	<b>\$ 68.4</b>	<b>\$ 72.4</b>	<b>\$ 140.8</b>

\*\$10M of Recovery funds allocated to the Department of Commerce OIG does not expire



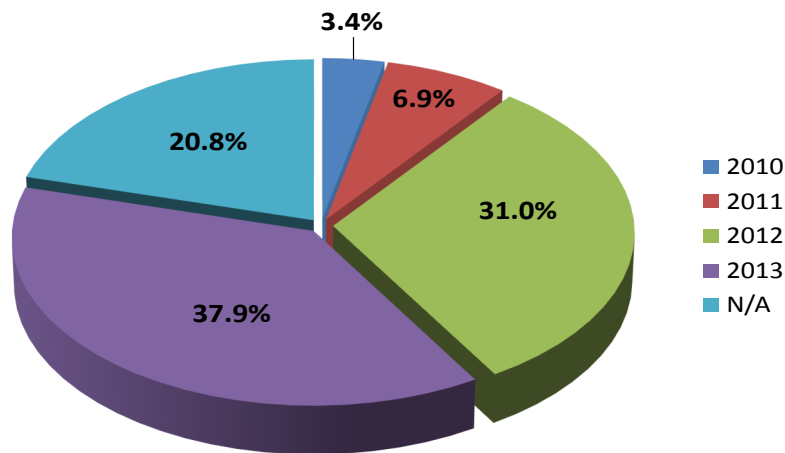
### Recovery Oversight Obligations and Outlays

(Data Includes 29 IGs Responsible for Recovery Oversight)



Note: Data Through September 30, 2010

### OIG Recovery Appropriations by Expiration Date (Data Includes 29 IGs Responsible for Recovery Oversight)



Note: N/A represents the percentage of IGs that did not receive Recovery oversight funding



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