

A tale of an evolving standard: XBRL reporting for U.S. local governments

By Deniz Appelbaum, Hussein Issa, and Stephen Kozlowski, for

The 38th World Continuous Auditing & Reporting Symposium, held at

Rutgers, the State University of New Jersey

November 4 – 5, 2016

OPEN GOVERNMENT

Since his first full day in office, President Obama has prioritized making government more open and accountable and has [taken substantial steps](#) to increase citizen participation, collaboration, and transparency in government.

Data.gov, the central site for U.S. Government data, is an important part of the Administration's overall [effort](#) to open government.

Open Data in the United States

A large number of cities, counties, and states have open data sites.

- [Cities.Data.gov](#)
- [Counties.Data.gov](#)
- [States.Data.gov](#)

U.S. States	U.S. Cities and Counties	International Countries	International Regions
40	48	52	164

Download the full list of Open Data Sites in the following formats: [\[CSV\]](#) | [\[EXCEL\]](#)

A number of local governments in the United States have launched their own sites with access to machine-readable data.

Contributor



STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION For the Year Ended June 30, 2015 (dollars in thousands)

- 1) We show
- extende
- 2) Decrease
- 3) Decrease
- 4) Improve

		Component Unit	Component Unit
	Rutgers, The State University of New Jersey	Rutgers University Foundation	University Physician Associates of New Jersey, Inc and Affiliates
	2015	2015	2015
OPERATING REVENUES:			
Student Tuition and Fees (net of scholarship allowances of \$205,331 in 2015)	\$863,051	\$ —	\$ —
Federal Grants & Contracts	302,504	—	—
State & Municipal Grants & Contracts	165,153	—	—
Nongovernmental Grants & Contracts	117,210	57,758	—
Auxiliary Enterprises (net of scholarship allowances of \$43,307 in 2015)	306,260	—	—
Net Patient Service Revenues	518,019	—	112,707
Other Operating Revenues	130,439	5,891	—
Total Operating Revenues	2,402,636	63,649	112,707
OPERATING EXPENSES:			
Educational and General			
Instruction	893,347	—	—
Sponsored Research	355,769	—	—
Other Separately Budgeted Research	98,331	—	—
Other Sponsored Programs	206,779	—	—
Extension and Public Service	50,395	—	—
Academic Support	115,343	—	—
Student Services	93,050	—	—
Operations and Maintenance of Plant	205,281	—	—
General Administration and Institutional	243,608	27,347	20,585
Scholarships and Fellowships	54,201	—	—
Depreciation	152,525	—	—
Patient Care Services	653,446	—	45,392
Auxiliary Enterprises	288,869	—	—
Distributions to Rutgers, The State University of New Jersey	—	103,877	—
Distributions to Douglass Associate Alumnae	—	85	—
Other Operating Expenses	784	—	45,220
Total Operating Expenses	3,411,728	131,309	111,197

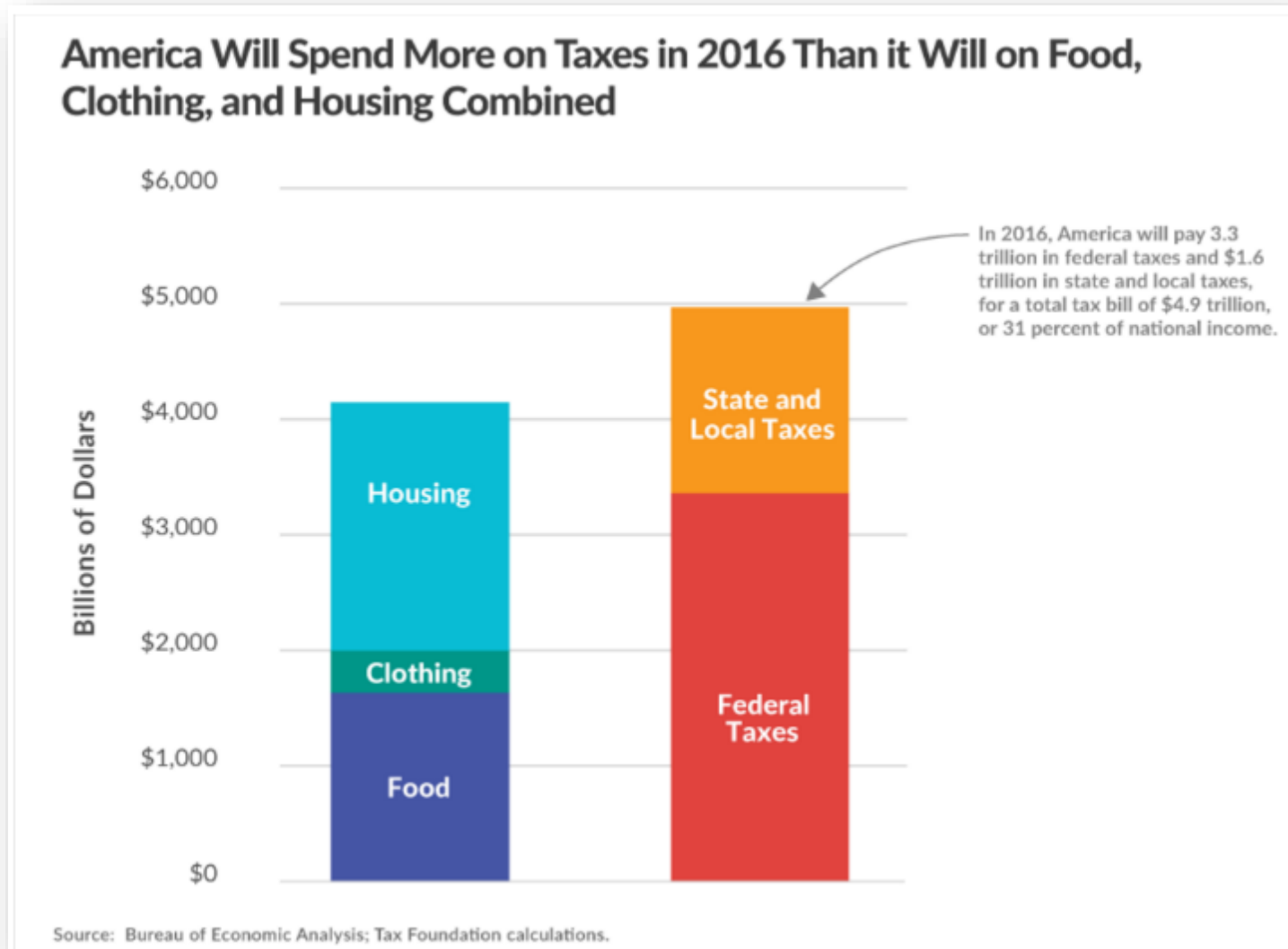
ssfully

)

Typical government report analyst....



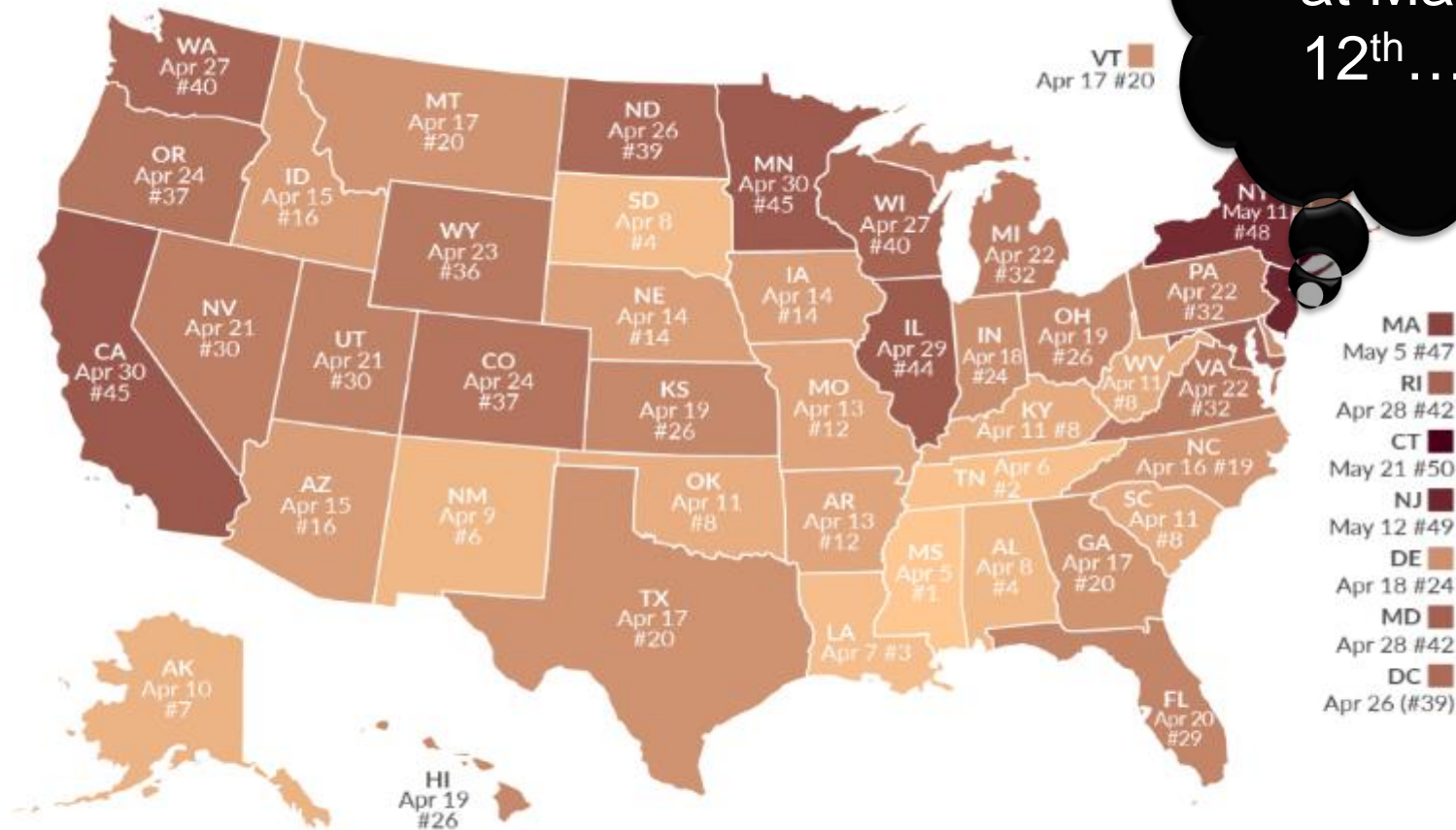
Why is governmental financial reporting transparency so important?



Why is governmental financial reporting transparency so important?

When Does Tax Freedom Day® 2016 Arrive in Your State?

NJ is #2,
at May
12th



Notes: Each state's Tax Freedom Day® is the day when taxpayers in the state have collectively earned enough money to pay their federal, state, and local tax bill for the year.

Source: Tax Foundation, Tax Freedom Day® 2016



U.S. Local Municipality Reporting and the Single Audit Act

- Local governments differ from businesses in purpose, organization, processes of generating revenues, stakeholders, budgetary obligations and longevity (GASB, 2013).
- **Taxation:** legally mandated involuntary exchange, direct benefit/service? How to measure service efficiency?
- **Federal Government:** \$400+ Billion in grants annually
- **Single Audit Act of 1984:** requires that each grant recipient of more than \$750,000 from ANY agency or agencies will need to file a Single Audit Report
- Each agency has 14 specific grant requirements that must be followed
- For many grantees, this is a repetitious process!

Single Audit Reporting Package:

- Auditor's Reports
- Management Discussion and Analysis (MD&A)
- Recipient's financial statements
- Recipient's notes to the financial statements
- Supplemental Information
- **Schedule of Expenditures of Federal Awards (SEFA)**
- Schedule of Findings and Questioned Costs
- Schedule of Prior Audit Findings



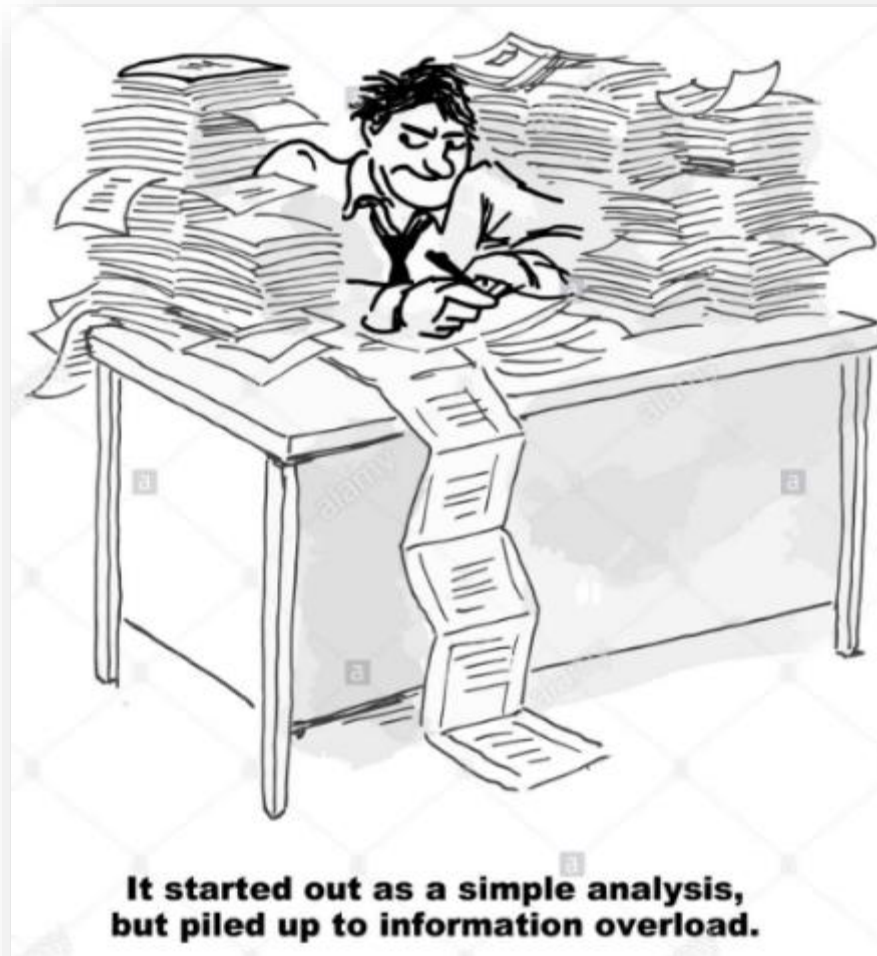
Rutgers University 2015 Single Audit Reporting Package:

122 pages, SEFA 60 pages

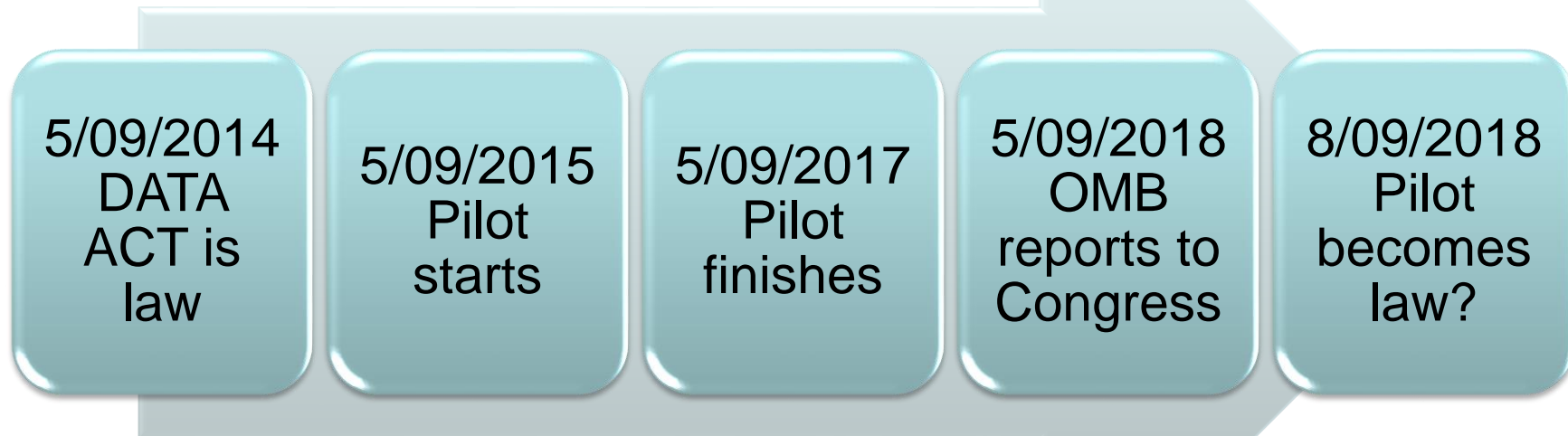
Ohio State 2015 Single Audit Reporting Package:

142 pages, SEFA 48 pages

Should these reports remain in PDF??



The DATA Act



Timeline of the Grantee Pilot Program:

Date	DATA ACT/PILOT PROGRAM EVENT
5/09/2014	DATA ACT passed into law
5/09/2015	Pilot Program begins with selected grant recipients
5/09/2017	Pilot program finishes
5/09/2018	OMB reports results to Congress
8/09/2018	OMB decides to require (or not) grant recipients to report in the format required by the DATA ACT



HOME

ABOUT

WHERE IS THE MONEY GOING

REFERENCES

DOWNLOAD CENTER

CONTACT US

[USAspending](#) > [Where is the Money Going](#) > State Summary

STATE SUMMARY:NEW JERSEY

New Jersey ▼

Fiscal Year 2017 ▼

Go

Total Funds Awarded - FY 2017

\$767,950,085

Total Number of [Transactions](#) - FY 2017

1,849

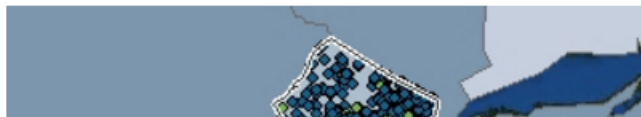
Total SubAward Funds - FY 2017

\$12,683,231

Total SubAward [Transactions](#) - FY 2017

46

CONTRACT, GRANT, LOAN, AND OTHER FINANCIAL ASSISTANCE AWARDS



TOP COUNTIES

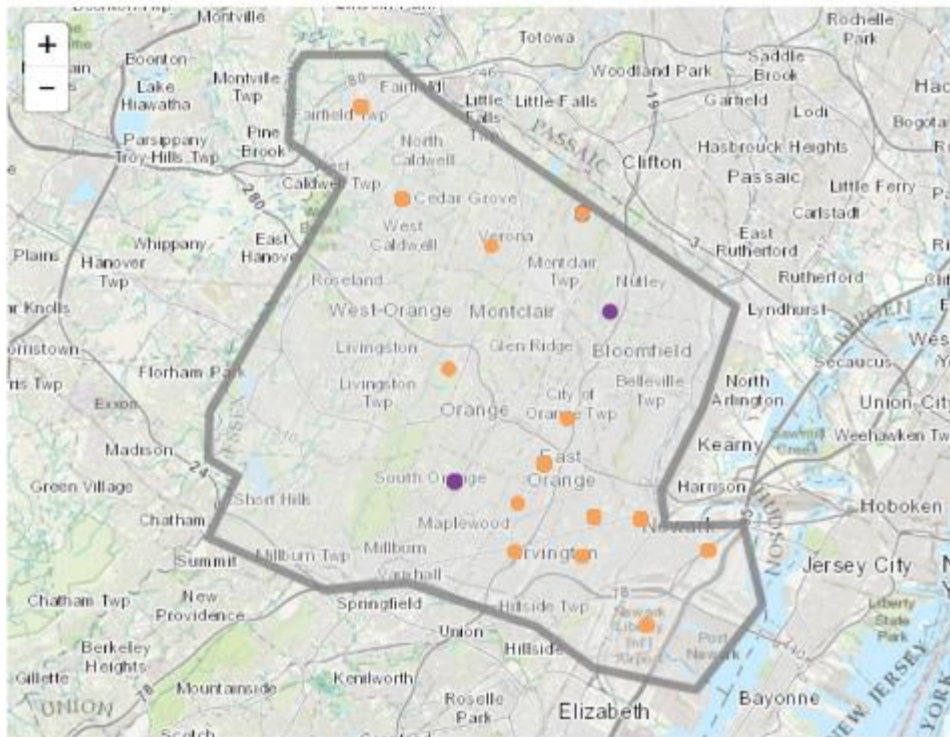
1. Morris	\$2,112,765
2. Essex	\$19,391

[Text View and More Details on All Counties](#)

County: Cong. District: ☒ Other Financial Assistance

Agency: Funding Amount:

New Jersey - Essex County



Total Awarded: \$35,499,918

Total Transactions: 275

Recipient	Amount	Award ID
ACG SYSTEMS, INC	\$0	GS35F0314M
ACG SYSTEMS, INC	\$0	GS35F0314M
AD MEYERS UNIFORMS LLC	\$3,674	DJBP0317R...
AD MEYERS UNIFORMS LLC	\$3,539	DJBP0316R...
AKAL SECURITY, INC	\$2,246	DJMS11D0503
AKAL SECURITY, INC	\$1,528,840	DJMS11D0503
ALPHA SOURCE INC.	\$34,044	VA24315C00...
AMERICAN MEDICAL EQUIPME...	\$5,089	VA24217P0084
AMERICAN MEDICAL SYSTEMS...	\$10,920	VA24314C02...
APOLLO HEALTHCARE LLC	\$13,501	VA24315G0...
ARTLINE WHOLESALERS INC	\$0	GS03F5069C
AT&T MOBILITY NATIONAL ACC...	(\$671)	DJD11HQ31...
BCT PARTNERS LLC	\$4,265	HHSN31620...
BCT PARTNERS LLC	\$165,282	HHSN31620...

This PDF
must be
manually
extracted!



RUTGERS

THE STATE UNIVERSITY OF NEW JERSEY

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2015

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number or Other ID Numbers	ARRA	Federal Expenditures
Research and Development Cluster, continued:			
Pass Through, continued:			
Corporation for National and Community Service:			
State of New Jersey – Department of State			
AmeriCorps	94.006	\$	48
The College of New Jersey			
AmeriCorps	94.006		27,977
Subtotal Corporation for National and Community Service			28,025
U.S. Department of Agriculture:			
Auburn University			
Agriculture and Food Research Initiative (AFRI)	10.310		129,455
Brigham Young University			
Various	10.RD		16,431
Colorado State University			
Integrated Programs	10.303		294
Connecticut Agricultural Experiment Station			
Grants for Agricultural Research, Special Research Grants	10.200		4,633
Cornell University			
Grants for Agricultural Research, Special Research Grants	10.200		64,964
BRAC International LLC			

Well...



XBRL for State and Local U.S. Government Financial Reports

- DATA Act and FFATA (Federal Funding Accountability and Transparency Act) Collaboration space:

Broad Category of “Data Elements”:

Reference:

<https://fedspendingtransparency.github.io/dataelements/>

S.N	Category	Description
1	Awardee and Recipient Entity Information	This list includes information about recipients and awardees of federal funds.
2	Award Amount Information	This list includes elements used to describe the amount (value) of a certain award.
3	Award Characteristic Information	These elements describe the different characteristics each award possesses.
4	Funding Entity Information	These data elements describe characteristics of the entity that provided funding for an award.
5	Awarding Entity Information	Elements on this list describe awarding entities – those that presented the awardee with the funding.
6	Account Level Information	This list features elements that describe the accounts from which the awards are funded.

XBRL for State and Local U.S. Government Financial Reports

Our Taxonomy for Rutgers University Single Audit Report 2015, SEFA section

Proposed Data Elements for “Schedule of Federal Award Expenditure” (Single Audit Report):

S.N	Recommended Data Element	XBRL Item Type	Data Definition
1	Federal Expenditures	Monetary Item	Amount of federal expenditure.
2	Catalog of federal domestic assistance numbers (CFDA)	String Item	The title of the program under which the Federal award was funded in the CFDA.
3	Pass Through Grantors Number	String Item	Pass through grantors number.
4	American Recovery and Reinvestment Act Applicable	Yes No Item Type	Denotes the American Recovery and Reinvestment Act applicability.
5	Program Title [Axis]	Dimension Item	Axis to represent program title
6	Agency [Axis]	Dimension Item	Axis to represent agency name
7	Grant Nature [Axis]	Dimension Item	Axis to represent grant nature
8	Grantor [Axis]	Dimension Item	Axis to represent grantor title
9	Basis of Presentation [Text Block]	Text Block Item	The entire disclosure for basis of presentation.
10	Sub recipients [Text Block]	Text Block Item	The entire disclosure for sub recipients.
11	Federal Direct Student Loan Program [Text Block]	Text Block Item	The entire disclosure for Federal Direct Student Loan Program.
12	Loan Program [Text Block]	Text Block Item	The entire disclosure for Federal Perkins Loan Program, Nursing Student Loan Program, and Income Contingent Loan.

XBRL for State and Local U.S. Government Financial Reports

Original
PDF



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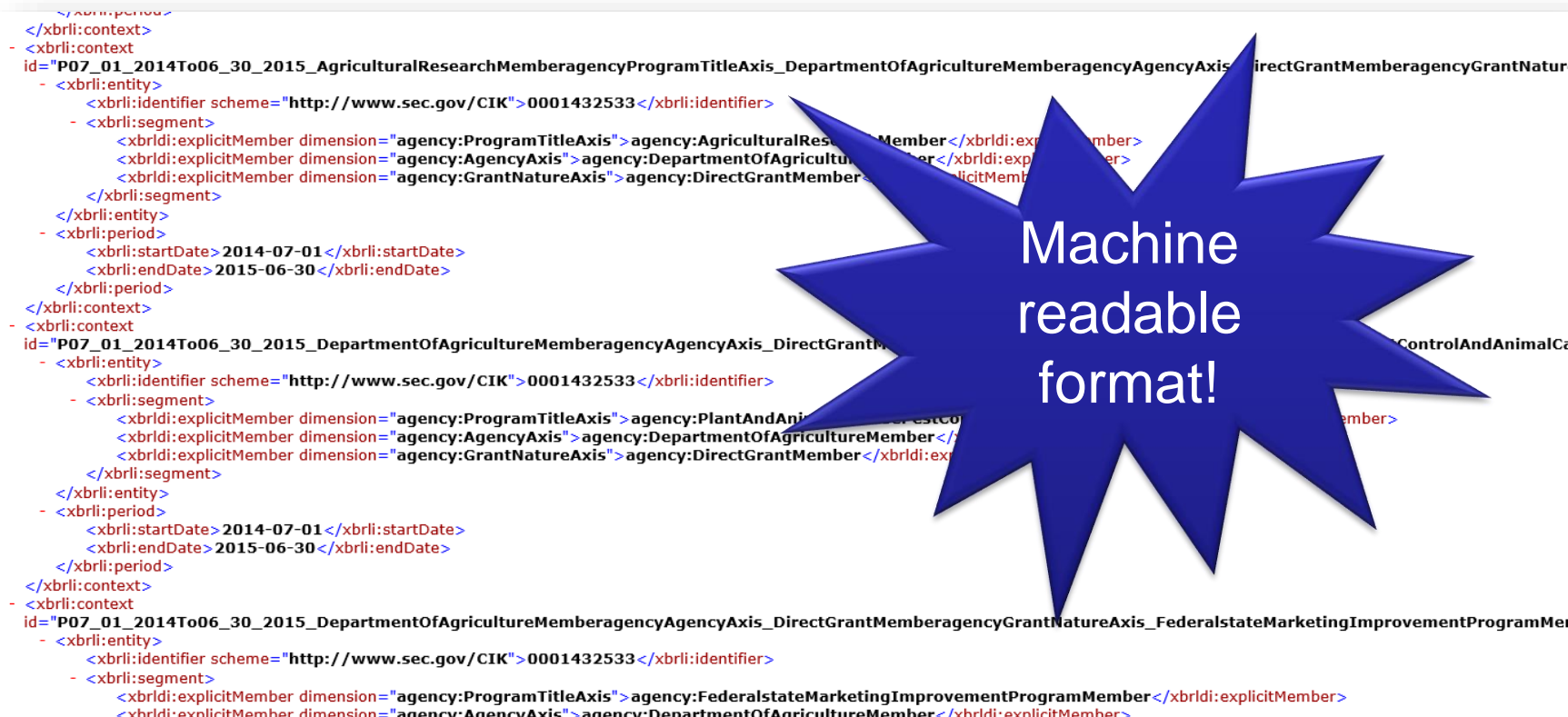
THE STATE UNIVERSITY OF NEW JERSEY

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Auburn University			
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Brigham Young University			
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Colorado State University			
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Connecticut Agricultural Experiment Station			
Grants for Agricultural Research, Special Research Grants	10.200		4,633
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XBRL for State and Local U.S. Government Financial Reports



XBRL for State and Local U.S. Government Financial Reports

[Rutgers, The State University of New Jersey](#)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Grant Information Details 3) (USD \$)	12 Months Ended Jun. 30, 2015	Prefix	TaxonomyID	Type	Period Type
Catalog of Federal Domestic Assistance	21.UNK	agency	CatalogOfFederalDomesticAssistan	xbri:stringItemType	duration
Federal Expenditures	746	agency	FederalExpenditures	xbri:monetaryItemType	duration
Various [Member] National Science					
Catalog of Federal Domestic Assistance	47.UNK	agency	CatalogOfFederalDomesticAssistan	xbri:stringItemType	duration
Federal Expenditures	499,426	agency	FederalExpenditures	xbri:monetaryItemType	duration
Various [Member] Small Business			Other Programs		
Catalog of Federal Domestic Assistance	59.UNK	agency	CatalogOfFederalDomesticAssistan	xbri:stringItemType	duration
Federal Expenditures	41,228	agency	FederalExpenditures	xbri:monetaryItemType	duration
Various [Member] United States Courts					
Catalog of Federal Domestic Assistance	16.UNK	agency	CatalogOfFederalDomesticAssistan	xbri:stringItemType	duration
Federal Expenditures	4,103	agency	FederalExpenditures	xbri:monetaryItemType	duration
Agricultural Research Basic And Applied			Other Programs		
Catalog of Federal Domestic Assistance	10.001	agency	CatalogOfFederalDomesticAssistan	xbri:stringItemType	duration
Federal Expenditures	107,812	agency	FederalExpenditures	xbri:monetaryItemType	duration
Plant and Animal Disease, Pest Control, and					
Catalog of Federal Domestic Assistance	10.025	agency	CatalogOfFederalDomesticAssistan	xbri:stringItemType	duration
Federal Expenditures	127,934	agency	FederalExpenditures	xbri:monetaryItemType	duration
International Science and Education Grants			Other Programs		
Catalog of Federal Domestic Assistance	10.305	agency	CatalogOfFederalDomesticAssistan	xbri:stringItemType	duration
Federal Expenditures	14,609	agency	FederalExpenditures	xbri:monetaryItemType	duration
Organic Agriculture Research and Extension					
Catalog of Federal Domestic Assistance	10.307	agency	CatalogOfFederalDomesticAssistan	xbri:stringItemType	duration
Federal Expenditures	903,890	agency	FederalExpenditures	xbri:monetaryItemType	duration
Specialty Crop Research Initiative [Member]			Other Programs		
Catalog of Federal Domestic Assistance	10.309	agency	CatalogOfFederalDomesticAssistan	xbri:stringItemType	duration
Federal Expenditures	600,556	agency	FederalExpenditures	xbri:monetaryItemType	duration

Human
Readable &
Analysis
Friendly!

Track the Funds!

Agency = 10.307, total
spent: \$903,890

RUTGERS

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Where is the
missing
\$199,271 of
10.307??

10.307 reports
here \$671,285

Ohio received
10.307 funds of
\$33,334 from
Rutgers
22000003

OHIO STATE

Benefits

- The DATA Act simplifies the reporting process and reduces duplication of filing
- Provides greater transparency and portability of information
- Standardizes this information across recipients, grantor agencies, and grant types
- Report generation is automated
- Provides a data format that is easier to analyze

Challenges

- Adoption of this standardized taxonomy across municipalities
- Whose responsibility to enforce compliance...
- How to successfully implement the pilot program
- Measurement of the Pilot Program's success
- And, ideally local and state governments should adopt a standardized XBRL taxonomy developed by the GASB for ALL financial reports

Questions?



“Wow, Hal... When did you become such a stickler for paperwork?”