



Economy

Data on \$800 billion in stimulus spending will disappear this year. Here is why.

By **Christian Davenport** September 9 [Follow @_chrisdavenport](#)

The [government Web site created](#) “to foster greater accountability and transparency” in federal stimulus spending has for years allowed anyone with an Internet connection to follow the money.

But by the end of the month, the ability to see which entities received contracts and grants through the American Recovery and Reinvestment Act is going to vanish from Recovery.gov, officials say, making it impossible to track where the more than \$800 billion ended up.

It’s not because the Web site is going away — that won’t happen for at least a year. Instead, it’s because of a far more strange — and complicated — reason that, some say, exposes a larger problem that could have even greater implications for the billions the government spends .

The data will disappear because the government board that oversees the Web site and ensures the stimulus money is spent properly is not renewing its license with Dun & Bradstreet, a major U.S. financial firm that assigns an identification number to all entities doing business with the federal government. When the license expires at the end of this month, those identification numbers — and other associated data — will no longer be available to the government.

No numbers, no way to track the money.

The [disappearance of the data](#) would mark a significant change in a program that the Obama administration said would offer unprecedented transparency. On Recovery.gov, taxpayers can track dollars as they flow from the federal government to the states and down to individuals. The site [offers an interactive map](#) and advanced search fields that allow users to explore the spending down to the Zip code.

But Nancy DiPaolo, chief of congressional and intergovernmental affairs for the Recovery Accountability and Transparency Board, said that it was not fiscally prudent to renew the license and that the board would be forced to take down the recipient data. The cost to renew the license would be between \$900,000 and \$1.4 million.

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“Everything will be the same through September 30,” she said. But after that, “all recipient data will be removed from the site. The maps won’t work.”

So, for example, users of the Web site would no longer be able to see that Savannah River Nuclear Solutions in South Carolina received the single largest contract under the program: \$720 million for “facilities and support services.”

Making the matter more pressing, the Web site is scheduled to go away when the board expires just over a year from now. Some members of Congress would like to prevent that.

Even though the stimulus money is, for the most part, spent, the data should remain publicly available, government watchdog groups and congressional officials say. Building a second version of the Web site [could cost as much as \\$18 million](#).

“We’re talking billions of dollars of taxpayers’ money,” said Neil Gordon, an investigator for the Project on Government Oversight. “And in the interest of transparency, we have to see how it was spent, who got it, when and for what. We can’t lose that information.”

In a pair of letters to the General Services Administration and the Office of Procurement Policy last week, two influential members of Congress said the issue shows how overly dependent the government is on Dun & Bradstreet.

The contract is “hampered by unfavorable and restrictive terms,” wrote Reps. Darrell Issa (R-Calif.) and Elijah E. Cummings (D-Md.) of the House Committee on Oversight and Government Reform.

For years, members of Congress and other government officials said they were concerned that the United States depends too much on Dun & Bradstreet, a publicly traded, for-profit company that won a sole-source contract to provide the corporate identification numbers known as DUNS numbers. Those numbers and other business data — addresses, parent company and subsidiary information — are owned and controlled by Dun & Bradstreet and licensed to the government. Once the contract ends, the information must be deleted from government databases.

In 2012, the [Government Accountability Office wrote that Dun & Bradstreet](#) “effectively has a monopoly for government unique identifiers that has contributed to higher costs.” Those costs, it noted, have jumped from about \$1 million in 2002 to \$19 million per year. The total eight-year contract is worth as much as \$154 million.

The GAO also said that “the government’s reliance on DUNS numbers has increased” in part because “there has been a dramatic increase in the number and type of entities that are required to have DUNS numbers to do business with the government.”

Dun & Bradstreet did not respond to requests for comment.

Other companies that would like to compete for the contract “have questioned why the government will not consider their products,” the GAO wrote.

The answer is because the government can’t. At least not yet.

The Federal Acquisition Regulation, the rules for government procurement, requires that contractors use a DUNS number — which can only be provided by Dun & Bradstreet.

Members of Congress on both sides of the aisle have taken aim at the arrangement. In their letters this week, Issa and Cummings wrote that it “is, on its face, improper.”

“In this case, it is clear that it is having specific, identifiable harm on the federal government’s ability to obtain the best value and most favorable terms with the taxpayer’s dollar,” they wrote.

The lawmakers urged the GSA and the Office of Federal Procurement Policy to remove specific references to DUNS numbers in the acquisitions regulations so that other companies could be considered to provide the service.

And they noted that the U.S. Postal Service, which is not subject to the acquisition regulation, did not renew its contract with Dun & Bradstreet in 2008 and saved \$6.4 million annually by using a different vendor. The Postal Service said that company is Equifax.

In a statement, the GSA said it surveyed the industry in 2012 “in an effort to identify other sources.” Ultimately it “received few responses.”

“The agency determined that Dun and Bradstreet was the most suitable option due to the specialized services the company provides.”

Christian Davenport covers federal contracting for The Post’s Financial desk.

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Christopher Richey 9/10/2014 7:15 PM EDT
Wow! So, much for \$400 hammers. Let's just ERASE THE PAPER TRAIL!

DonCXX 9/10/2014 2:15 PM EDT
This is absurd. \$1.4M is less than the Government spends to air-lift the President's dog to Martha's Vineyard. If the list of businesses was made at Government expense, then the Government owns them, not Dunn and Bradstreet. Now, future IDs by D&B would not be required to be provided, but that is a different point entirely. The only rationale for not spending the money is throwing good money after the bad. The stimulus was a waste. Fracking is responsible for what little recovery we have seen. The stimulus was nothing more than payback to Democrat cronies, and probably the interesting web site is the one that tracks payments to Democrat donors.

Most Transparent Administration Ever! The only thing transparent about this administration is their disdain for America and their corruption.

neelynzus 9/10/2014 2:09 PM EDT
Obscuring the ongoing criminal conspiracy that is the Obama administration. For Democrats, a feature, not a bug.

Doug Wenzel 9/10/2014 1:23 PM EDT [Edited]
Tell me why they can't use a CAGE code or a TIN? I always though D&B codes were for information to help assess creditworthiness.

Boyd2 9/10/2014 1:18 PM EDT
IOW they set up a situation with criteria that assures failure that works to their advantage to hide whatever it is they don't want us to see. Gee, in light of the IRS and other scandals, who could have seen that coming?

Neo 9/10/2014 1:03 PM EDT
Apparently, the AMA has a similar deal on the codes for medical diagnoses

TMLutas 9/10/2014 1:46 PM EDT
The AMA arrangement is for the CPT code book and is necessary to figure out what can be billed for medicare and medicaid. Obamacare supplemented but did not remove reliance on CPT by layering on an additional procedure coding system ICD-10-PCS for hospital stays.

Licensing for CPT is a big moneymaker for the AMA. We'd do a lot better if we either paid the AMA to maintain it for a fixed fee and made it a public document or went over to something like the WHO controlled ICD-10-PCS.

The really fun thing is that even small government constitutionalists wouldn't have a problem with spending the money to fix this (either the AMA or the DUNS issue). Authorization for it is written in the constitution, under the power to establish weights and measures.

mydisplayname 9/10/2014 10:33 AM EDT
Just curious: if someone printed the data on old-fashioned paper, would he be required to burn the paper when the contract between D&B and Obama's federal government expires?

We're talking about static data -- once a dollar has been spent, it's recipient doesn't change. Why on earth is there a recurring cost of any sort to maintain such static data? Isn't it reasonable to store static data statically (on paper or disc) and allow those specific individuals who desire to consume that data pay the cost of reproducing and delivering it via the web or otherwise? Isn't this indeed the case with all other static federal data -- such as documents in the Archives?

Personally, I wouldn't expend another taxpayer dime on this effort until the archival procedures for the entirety of the federal government have been reviewed and consistent plans for data retention have been uniformly implemented. Conversely, I would pay D&B to maintain the database of business identifiers... since the federal government has demonstrated, through the ongoing IRS scandal and otherwise, that current leadership is unable to accomplish simple record-keeping tasks.

Alex Shaver 9/10/2014 10:29 AM EDT
It really seems like the government should just have an in-house technical team. Like house their own servers and staff to write software and so on. But I guess in the "big government is bad government" era, the government must overspend on privatized solutions so as not to "expand" the government... and end up spending more for it.

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