December 2, 2014

The Honorable Darrell Issa
Chairman
Oversight and Government Reform Committee
United States House of Representatives
Washington, DC 20515

The Honorable Elijah Cummings
Ranking Member
Oversight and Government Reform Committee
United States House of Representatives
Washington, DC 20515

RE: House Oversight and Government Reform Committee hearing titled, "Transforming Federal Spending: Implementing the Digital Accountability and Transparency Act"

Dear Chairman Issa and Ranking Member Cummings:

On behalf of the more than 400,000 members of the American Institute of CPAs (AICPA), I am writing to congratulate you on your bipartisan leadership in passing the Digital Accountability and Transparency Act of 2014 (DATA Act) earlier this year. The data transparency provisions of this law will allow taxpayers to more easily track federal spending data and monitor the flow of federal dollars. Such transparency is a cornerstone of good government. We recognize that the effort involved to transform today’s spending information into a more open, publicly accessible format may be considerable. To achieve success, all stakeholders in the reporting process need to collaborate on the implementation efforts. We applaud your strong leadership in hosting this hearing, and the leadership of Senate sponsors Mark Warner and Rob Portman. We also thank those officials who are testifying and providing information on the progress of the efforts to implement the DATA Act.

We strongly believe that the use of standardized data will enhance the accessibility and transparency of federal spending information which will benefit members of Congress, federal agencies, taxpayers, and those doing business with or receiving benefits from the federal government. The CPA profession is committed to the transparency and usability of reported information, and has been a strong supporter of the use of structured, standardized data, specifically XBRL, to report business information. We believe that XBRL is the only available data standard to adequately meet the requirements of the DATA Act.

CPAs who work in government and those who interact with federal government entities should begin to consider the impact of applying data standards to financial information and how these changes may impact the audit process and approach. Changes to internal controls or the financial reporting process may be required when transactional level data is submitted using data standards because many manual processes to reconcile and accumulate data may be eliminated. Therefore, we believe that Treasury and Office of Management and Budget should engage the audit community to collaborate on the data standardization implementation efforts as there may be a need for new audit standards, guidance, or education that require time and resources to develop. The AICPA stands ready to leverage our network of members and experts to assist with the implementation including assessing the decision points that
will impact the audit methodology, as well as possible approaches that might be pursued and what
would be required under those approaches.

If you have any questions, or if we can be of any further assistance, please feel free to contact Diana
Huntress Deem at 202.434.9276 or ddeem@aicpa.org. Thank you.

Sincerely,

[Signature]

Barry C. Melancon, CPA, CGMA
President and CEO

cc: Senator Mark Warren
    Senator Rob Portman
    House Committee on Oversight and Government Reform