

## Statement of Interest

by  
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My non-profit, iSolon.org, is part of the open government public interest community. XBRL is revolutionizing access to government financial data, and the public interest community needs to learn more about the opportunities this is creating. iSolon, for example, has advocated for the use of XBRL to improve access to K12 public school budget data and recovery.gov data. It has also argued for using XBRL as a precedent for other data modeling languages, most notably [iSolon's proposed Bias Modeling Language \(BML\)](#), which aims to do for ethics data what XBRL did for financial data.

iSolon.org's principal, J.H. Snider, has degrees in political science and public policy (a Ph.D. from Northwestern University) and business administration (an MBA from the Harvard Business School, where he won a non-profit fellowship and worked as a research assistant writing case studies designed to teach business students how to analyze the controversial assumptions behind financial forecasts). For the last decade he has worked in Washington, DC, including one year working in the U.S. Senate as a Congressional fellow in communications and public policy, seven years at the New America Foundation as a fellow and research director covering information policy, and two years as president of iSolon.org, where he also took a semester break to serve as a fellow at Harvard's Kennedy School of Government. He has also served on an urban school board. Currently, he is a member, although not an active participant, in W3C's eGov Interest Group.

Attached below is a commentary of mine published in *Education Week*, the leading trade publication read by K12 school administrators, which argues for extending XBRL to K12 school financial reporting.

**EDUCATION WEEK**

### **Democratize School Budget Data**

**By J.H. Snider**

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President Barack Obama has repeatedly said to the public that when it comes to education spending, "we need to hold ourselves accountable for every dollar we spend." Rather than think of the president's goal as a rhetorical flourish, why not take it seriously? Specifically, why not require all school checkbook expenditures to be made accessible online—and in a structured, downloadable database that would allow citizens to search for and slice and dice the data in whatever way they might want?

Historically, school districts have published and posted on their Web sites budget data in summary views only. Summary views answer questions such as how much a district spent on student transportation in general, but not on a particular bus route; how much it spent on energy in general, not at a particular school; and how much it spent on total employee benefits, not a particular benefit such as sick leave.

There are three primary reasons citizens should support breaking school officials' monopoly on budget-summary views.

First, officials have a conflict of interest in providing summary views. Rational administrators can be expected to use summary views for purposes of public relations rather than democratic accountability. As a matter of common sense, they will hide controversial information within large, uncontroversial categories. Their summary views will answer questions that they, not citizens, would most like to have asked. The budget presentation will be like a politician's press conference where the reporters can ask only preapproved questions.

Second, school officials cannot think of every useful budget summary, any more than Google can anticipate how hundreds of millions of Americans will search its data or a library can project how patrons will use its collection.

Third, unless citizens are given access to data down to the checkbook level, they cannot effectively integrate budget figures across different governments (for example, to compare two similar school districts two thousand miles apart) or with nonbudget data (to find out a school contractor's lobbying expenditures, for instance).

The Obama administration has already made great strides in democratizing budget data. For example, it has plans to put online, at [recovery.gov](http://recovery.gov), all the expenditures in the \$787 billion stimulus bill, including \$97 billion for education. In launching this Web site, President Obama said: "This is your money. You have a right to know where it's going and how it's being spent."

The historical forces pushing governments to democratize budget and other data run deep. Congress has its own Web site, [usaspending.gov](http://usaspending.gov), which lists the money spent on every federal contractor. The state of Missouri also has a database that provides searchable line-item expenditures for all grants, contracts, and public-employee compensation.

Many federal databases also already provide raw data online in a structured, downloadable format, including data from the departments of Commerce (such as U.S. Census numbers) and Labor (a raft of labor statistics) and the Environmental Protection Agency (toxic-waste inventories and the like).

According to a survey conducted by Peyton Wolcott, a Texas-based educational transparency advocate, more than 2 percent of U.S. school districts had started posting their check registers online by February of this year. The first to do so were all in Texas, where an executive order issued in 2005 provided districts with a strong financial incentive to post their checkbooks. If they did so, they could avoid a mandate to spend at least 65 percent of their budgets in the classroom.

Meanwhile, the Obama administration is pushing to create national standards for local and state education data, so that comparisons across districts can easily be made. Although this

effort is currently focused on student-assessment data, it should be extended to budget data.

Specifically, federal, state, and local education checkbooks should all be made available online in a single, standardized format using so-called semantic Web technologies, which make it possible to more easily search and use Web content. XBRL an international data-tagging language adopted by the U.S. Securities and Exchange Commission for the financial reporting of public companies, could be the basis for such a standard. RDF, a semantic Web technology endorsed by the World Wide Web Consortium, would allow decentralized structured data integration, just as Google compiles data from millions of Web sites into a single search engine.

Not all raw data collected by school systems should be made public. Privacy concerns dictate that health claims, home addresses, and Social Security numbers not be disclosed. But privacy concerns are now being used to withhold far too much school budget data essential for democratic accountability.

At a minimum, no school system should be able to prevent access to computerized budget databases because checkbook records contain a mix of private and public data. Federal guidelines should require that all human-resource, student-attendance, and budget-software programs purchased by local school districts be able to automatically redact the private data and post the public online.

The information revolution has created unprecedented opportunities to democratize access to school data. But so far, few of them have been seized. With the Obama administration committed to both a huge increase in education funding and more accountability for how those funds are spent, now is a good time to focus on democratizing access to budget data. Such public access would still leave schools in the dark ages when it comes to using new information technology to enhance their democratic accountability. But it would help point them in the right direction, and send a strong signal to the public that enhancing schools' democratic accountability, not merely their responsiveness to market forces, can and should be a powerful option in the toolkit of those seeking to make our schools more accountable to the public.

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