



STATE OF INDIANA
OFFICE OF THE GOVERNOR
State House, Second Floor
Indianapolis, Indiana 46204

Mitchell E. Daniels, Jr.
Governor

August 2, 2006

The Honorable Richard Lugar
United States Senate
Washington, DC 20515

Dear Senator Lugar,

I am writing to let you know of my strong support for S. 2590, the Federal Funding Accountability and Transparency Act. This legislation would create a website accessible database tracking federal spending in the last 10 fiscal years and the information would be made available to the public.

As a former Director of the Office of Management and Budget, I especially recognize the importance in providing more accountability and transparency in federal spending to eliminate waste, fraud, and abuse. In addition, state governments and non-government organizations need to do a better job of identifying and aggressively pursuing competitive federal grants and perhaps then we can reduce the overzealous earmarking that is the norm in Washington. However, without timely information on federal grant making, it is difficult to improve outcomes.

On my first day in the Governors Office, I created the state Office of Federal Grants and Procurement (OFGP) to improve the rate of return for Indiana from the federal government. OFGP provides state agencies and NGOs with the tools they need to be successful in securing grants - training, coordination, partnering ideas, grant writing assistance, help in identifying federal grants to meet state priorities. Through the OFGP, Indiana state government agencies have made improvements, winning competitive federal grants such as the recent US Department of Labor WIRED grant (\$15 million) and improving grant management to make the dollars go farther.

Today, three year old cumulative data supplied by the Census Department is the only tool we have to identify the amount of federal dollars Indiana receives. It is a painstaking process, agency by agency, to calculate the grants we do receive, research how they are spent and when they expire. And this does not take into account the federal dollars received by non-government agencies, which is substantial. With improved information technology and access to the internet, Indiana could dramatically improve our results.

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As stewards of the hard earned tax dollars sent to Washington by Hoosiers, Congress has taken a step in the right direction with S. 2590, the Federal Funding Accountability and Transparency Act. I urge you to support this legislation which would provide Indiana with still another tool to increase the number of federal grants we pursue and win.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Portman", written in a cursive style.

cc: The Honorable Rob Portman, Director, OMB