

Annual Revenue Vs. Executive Pay for

Recipients of U.S. Federal Funds

Data Source: USASpending.gov

According to their website: USASpending.gov is the publicly accessible, searchable website mandated by the Federal Funding Accountability and Transparency Act of 2006 to give the American public access to information on how their tax dollars are spent.

Data extraction

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The data was downloaded as a batched CSV file from USASpending.gov. The CSV file contained a record of all federal funding allocation to companies and non-profits in 2015.

Of the 225 fields in the original data, we are most interested in dollarsobligated, vendorname, annualrevenue, prime_awardee_executive1_compensation, prime_awardee_executive2_compensation, prime_awardee_executive3_compensation, prime_awardee_executive4_compensation, and prime_awardee_executive5_compensation.

The original CSV file had 261 line breaks within individual data fields out of over 20M rows of data. The CSV could not be loaded into a Spark Dataframe with this inconsistent formatting. The problematic rows were removed from the data set for this exercise.

Here are the steps I took to clean the data from the UNIX command line:

1. Select for lines that begin and end with a quote.

```
pv Data_Feed.csv | grep "^\".*\\r" > data_feed_good.csv
```

2. Filter out lines that begin with an end-quote followed by a comma.

```
pv data_feed_good.csv | grep -v "\".*\\r" > data_feed_good_2.csv
```

Note: These data cleansing steps remove 0.001305% of data.

Now, let's read the cleaned parquet file from S3 to a Spark data frame.

```
val df = sqlContext.read.parquet("s3://sarah-usaspendingfy2015/clean_data.parquet")  
df: org.apache.spark.sql.DataFrame = [unique_transaction_id: string, transaction_status: string ... 223 more fields]
```

```
df.columns  
res235: Array[String] = Array(unique_transaction_id, transaction_status, dollarsobligated, baseandexercisedoptionsvalue, baseandalloptionsvalue, maj_agency_cat, mod_agency, maj_fund_agency_cat, contractingofficeagencyid, contractingofficeid, fundingrequestingagencyid, fundingrequestingofficeid, fundedbyforeignentity, signeddate, effectivedate, currentcompletiondate, ultimatecompletiondate, lastdatetoorder, contractactiontype, reasonformodification, ty
```

How many contracts, loans, and grants were obligated by the federal government in 2015?

```
df.count  
res236: Long = 3679400
```

What companies have the most federal dollars obligated to them?

```
val dollarsObligated = df.select(df("vendorname"), df("dollarsobligated"))  
  .groupBy("vendorname")  
  .sum("dollarsobligated")  
  .sort($"sum(dollarsobligated)".desc);  
dollarsObligated.show()
```

```
dollarsObligated: org.apache.spark.sql.Dataset[org.apache.spark.sql.Row] = [vendorname: string, sum(dollarsobligated): double]
+-----+-----+
| vendorname | sum(dollarsobligated) |
+-----+-----+
| LOCKHEED MARTIN C... | 2.485973147905999... |
| RAYTHEON COMPANY | 8.666833321250006E9 |
| BOEING COMPANY, THE | 7.604776054149998E9 |
| MCKESSON CORPORATION | 7.563494564229999E9 |
| NORTHROP GRUMMAN ... | 6.322189713929999E9 |
| ELECTRIC BOAT COR... | 5.02475097855E9 |
| THE BOEING COMPANY | 4.90264890895E9 |
| SCIENCE APPLICATI... | 3.4890949293700027E9 |
| HUMANA MILITARY H... | 3.313841091250001E9 |
| HUNTINGTON INGALL... | 3.24046953884E9 |
| SIKORSKY AIRCRAFT... | 3.1885837808500004E9 |
| UNITED TECHNOLOGI... | 2.92949119238E9 |
| U.S. COMMUNICATTON | 2.86854365502E9 |
```

What companies have the highest self-reported annual revenue?

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df.select(
 \$"vendorname",
 \$"annualrevenue")
 .sort(\$"annualrevenue".desc)
 .distinct().show()

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```
+-----+-----+
| vendorname | annualrevenue |
+-----+-----+
| SIERRA NEVADA COR... | 937973411479552 |
| XEROX CORPORATION | 179999999000576 |
| GEOLOGICAL & ECON... | 155529003401216 |
| D & L WASTE EQUIP... | 99999999999999 |
| APPLE INC. | 46900000000000 |
| APPLE INC. | 46899998490624 |
| METAL-FLEX WELDED... | 31582003920896 |
| APPLE INC. | 25600000000000 |
| APPLE INC. | 25599999475712 |
| VERIZON BUSINESS ... | 25599999475712 |
| DRS ICAS, LLC | 25000000000000 |
| BAE SYSTEMS LAND ... | 24613600000000 |
| BAE SYSTEMS LAND ... | 24613599838208 |
| HEDGEROW FARMS | 21126761676800 |
| ADDIE TMC | 10000000655036 |
```

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What companies have the highest executive compensation (as reported by max of executive compensation fields)?

The highest executive compensation reported is \$950 Bilion by SCHAFER AEROSPACE.

```
import scala.util.Try
```

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```
import scala.util.Try
```

```
val execCompensation = df.select(
  $"vendorname",
  $"prime_awardee_executive1_compensation",
  $"prime_awardee_executive2_compensation",
  $"prime_awardee_executive3_compensation",
  $"prime_awardee_executive4_compensation",
  $"prime_awardee_executive5_compensation")
  .rdd
  .map(row => {
    val vendorName: String = row.getString(0);
    val maxExecCompensation: Option[Double] =
      Try(Some((1 to 5).map(n =>
        Try(row.getDouble(n))
          .getOrElse(0.0)).max))).getOrElse(None);
    (vendorName, maxExecCompensation)
  })
  .toDF.sort(desc("_2")).distinct()
  .withColumnRenamed("_1", "vendorName")
  .withColumnRenamed("_2", "maxExecCompensation")
```

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```
execCompensation: org.apache.spark.sql.DataFrame = [vendorName: string, maxExecCompensation
: double]
```

```
execCompensation.show()
```

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vendorName	maxExecCompensation
SCHAFER AEROSPACE...	9.53842289652E11
SCHAFER CORPORATION	9.53842289652E11
RESEARCH ANALYSIS...	1.704E11
RESEARCH ANALYSIS...	1.704E11
FUTURE CARE HEALT...	1.49900992E8
ASE DIRECT, INC.	1.180767E8
A S E DIRECT LLC	1.180767E8
PARAGON TECHNICAL...	1.0658E8
DIXON GROUP, INC....	1.0E8
FORCE 3 INC	8.8277633E7
FORCE 3, INC.	8.8277633E7
FORCE 3 INCORPORATED	8.8277633E7
ECCO GMBH	7.4968679E7
ENVIRONMENTAL CHE...	6.5707594E7
AM GENERAL LLC	5.2454072E7

What companies have the highest executive pay (as a percentage of total reported annual revenue)? ^{FINISHED}

```
val percentExecComp = df.select(
  "vendorname",
  "prime_awardee_executive1_compensation",
  "prime_awardee_executive2_compensation",
  "prime_awardee_executive3_compensation",
  "prime_awardee_executive4_compensation",
  "prime_awardee_executive5_compensation",
  "annualrevenue").rdd
.map(row => {
  val vendorName: String = row.getString(0);
  val maxExecCompensation: Option[Double] =
    Try(Some((1 to 5).map(n =>
      Try(row.getDouble(n)).getOrElse(0.0)).max))).getOrElse(None);
  val annualRevenue: Option[Double] =
    Try(Some(row.getLong(6).toDouble)).getOrElse(None);
  val percentageCompensation: Option[Double] =
    Try(Some(maxExecCompensation.get/annualRevenue.get)).getOrElse(None);
  (vendorName, maxExecCompensation, annualRevenue, percentageCompensation)
}).filter(row => row._3.exists(_ > 0))
.distinct
.toDF.sort($"_4".desc)
.withColumnRenamed("_1", "vendorName")
.withColumnRenamed("_2", "maxExecCompensation")
.withColumnRenamed("_3", "annualRevenue")
.withColumnRenamed("_4", "percent")
.distinct
```

percentExecComp: org.apache.spark.sql.Dataset[org.apache.spark.sql.Row] = [vendorName: string, maxExecCompensation: double ... 2 more fields]

Some companies pay out high amounts to executives, while reported significantly lower annual revenue.

percentExecComp.show()

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vendorName	maxExecCompensation	annualRevenue	percent
GENERAL DYNAMICS ...	1810115.0	9000000.0	0.20112388888888888
PD SYSTEMS, INC.	229058.0	1765000.0	0.12977790368271955
KNWEBS INC.	192000.0	1950000.0	0.09846153846153846
PROSOURCE CONSULT...	445000.0	5000000.0	0.089
DANYA INTERNATIONAL...	5045608.0	6.8066532E7	0.07412759034058031
M & M CONTRACT MO...	36000.0	500000.0	0.072
J'S ASSOCIATES LLC	163462.0	2454904.0	0.06658590315547981
LIFE SCIENCE LOGI...	480000.0	9726812.0	0.04934813174141744
BRAINERD HELICOPT...	220000.0	1.163553E7	0.018907604552607402
WIEDEMANN CONSULTING	240000.0	1.5E7	0.016
SCIENCE AND TECHN...	809644.0	5.2216524E7	0.015505513159014567
STRATEGIC RESOURC...	257030.0	1.85E7	0.013893513513513513
HERNDON PRODUCTS,...	980914.0	7.8336466E7	0.01252180561732259
MATHEMATICA POLIC...	766000.0	6.60175E7	0.011602984057257546
DRAGMATTICS INC	716150.0	6.61E7	0.011202871132677761

How many companies are there with annual revenue > \$1M and executive compensation > \$1M?

```
(percentExecComp.count, percentExecComp.filter($"maxExecCompensation" > 1000000).filter($"annualRevenue" > 1000000)).res241: (Long, Long) = (196630,1458)
```

Of the companies with annual revenue > \$1M and executive compensation > \$1M, which companies pay out the highest amounts to executives?

```
percentExecComp.filter($"annualRevenue">=1000000).filter($"maxExecCompensation">=1000000)..
```

vendorName	maxExecCompensation	annualRevenue	percent
DANYA INTERNATIONAL...	5045608.0	6.8066532E7	0.07412759034058031
COX CONSTRUCTION CO.	1147170.0	3.0015833E7	0.03821882937581642
PROPULSION CONTRO...	2304231.0	6.6175336E7	0.03482008765320058
BAE SYSTEMS LAND ...	3896785.0	3.0000001024E10	1.298928288996581E-4
GENERAL DYNAMICS ...	1768749.0	3.1249000448E10	5.660177844546716E-5
GENERAL DYNAMICS ...	1810115.0	9000000.0	0.20112388888888888
WORLDWIDE LANGUAG...	1178000.0	4.66E7	0.025278969957081544
DELL SERVICES FED...	1050420.0	2.75E8	0.003819709090909...
IRON BOW TECHNOLO...	1377025.0	7.25114408E8	0.001899045150403...
QINETIQ NORTH AME...	1740126.0	1.2E9	0.001450105
NORTHROP GRUMMAN ...	2.4411853E7	3.213700096E10	7.59618267752636E-4
ROLLS ROYCE NORTH...	1271550.0	2.284E9	5.567206654991244E-4
ENVIRONMENTAL CHE...	4.9559414E7	7.5E7	0.6607921866666666
INDUSTRIAL ECONOM...	4224288.0	3.06666E7	0.13774882119308954
COX CONSTRUCTION CO.	1071807.0	2.0221088E7	0.02676861751251221

What companies have the highest executive pay (as a percentage of sum ^{FINISHED} dollars obligated)?

```
val joined_df = dollarsObligated.toDF.join(
  execCompensation.toDF, "vendorName");
```

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```
joined_df.show()
```

vendorname	sum(dollarsobligated)	maxExecCompensation
SCHAFER AEROSPACE...	50000.0	9.53842289652E11
SCHAFER CORPORATION	5.523365843000001E7	9.53842289652E11
RESEARCH ANALYSIS...	0.0	1.704E11
RESEARCH ANALYSIS...	-2285908.6	1.704E11
FUTURE CARE HEALT...	595829.1399999999	1.49900992E8
ASE DIRECT, INC.	6241757.649999998	1.180767E8
A S E DIRECT LLC	2009835.9099999997	1.180767E8
PARAGON TECHNICAL...	1.0600045000000002E7	1.0658E8
DIXON GROUP, INC....	-33444.09	1.0E8
FORCE 3 INC	1.111120801E7	8.8277633E7
FORCE 3, INC.	6.932773838999999E7	8.8277633E7
FORCE 3 INCORPORATED	6477692.14	8.8277633E7
ECCO GMBH	5067407.069999999	7.4968679E7
ENVIRONMENTAL CHE...	4.2892809830000006E7	6.5707594E7
AM GENERAL LLC	5.218822116000001E7	5.2151072E7

maxExecCompensation is often reported as 0.0 or 1.0.

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```
joined_df.select($"vendorname",  
                $"maxExecCompensation",  
                $"sum(dollarsobligated)",  
                ($"sum(dollarsobligated)" / $"maxExecCompensation").as("percent"))  
                .sort($"percent".desc).show()
```

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vendorname	maxExecCompensation	sum(dollarsobligated)	percent
LAWRENCE LIVERMOR...	1.0	1.42804417076E9	1.42804417076E9
COUNTERTRADE PROD...	1.0	1.5911857584999987E8	1.5911857584999987E8
GOODRICH CORPORATION	1.0	1.3467258139E8	1.3467258139E8
CSI AVIATION SERV...	1.0	9.029598071000001E7	9.029598071000001E7
WILDFLOWER INTERN...	1.0	5.143629600000001E7	5.143629600000001E7
SIEMENS GOVERNMENT...	1.0	3.423444534E7	3.423444534E7
INCR GOVERNMENT SY...	1.0	2.8042943869999997E7	2.8042943869999997E7
SIMMONDS PRECISIO...	1.0	2.4675061740000002E7	2.4675061740000002E7
HUMANTOUCH LLC	1.0	2.1046803720000003E7	2.1046803720000003E7
SUPERTEL NETWORK ...	1.0	5805720.44	5805720.44
PEARSON ENGINEERI...	1.0	5600751.34	5600751.34
ITATITLEK CONSTRUC...	1.0	4530614.670000001	4530614.670000001
PROTECTION STRATE...	1.0	4276807.710000001	4276807.710000001
CARLETON TECHNOLO...	1.0	3964837.21	3964837.21
CVI VATHN ANALYTICS	1.0	2010515.21	2010515.21

How many companies have reported executive compensation?

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```
(joined_df.count, joined_df.filter($"maxExecCompensation" > 0).count)
```

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res245: (Long, Long) = (154596,4536)

How many companies have reported executive compensation over \$1M?

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```
(joined_df.count, joined_df.filter($"maxExecCompensation" >= 1000000).count)
```

FINISHED

res246: (Long, Long) = (154596,799)

Of the companies that pay executives more than \$1M, which have the highest

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executive pay (as a percentage of sum dollars obligated)?

```
joined_df.select($"vendorname",  
                $"maxExecCompensation",  
                $"sum(dollarsobligated)",  
                ($"sum(dollarsobligated)" / $"maxExecCompensation").as("percent"))  
  .filter($"maxExecCompensation" >= 1000000)  
  .sort($"percent".desc).show()
```

vendorname	maxExecCompensation	sum(dollarsobligated)	percent
ELECTRIC BOAT COR...	1334063.0	5.024750978549999E9	3766.502015684416
ELECTRIC BOAT COR...	1919901.0	5.024750978549999E9	2617.1927503293136
ELECTRIC BOAT COR...	2010674.0	5.024750978549999E9	2499.038122813544
SANDIA CORP	1337700.0	2.8087110097799997E9	2099.6568810495623
ELECTRIC BOAT COR...	2533838.0	5.024750978549999E9	1983.0592873538085
LOS ALAMOS NATION...	1082776.0	2.0885016060100002E9	1928.839950285193
LOS ALAMOS NATION...	1174339.0	2.0885016060100002E9	1778.4486472900928
UNITEDHEALTH MILI...	1461163.0	2.5053445468599997E9	1714.6235887850976
HEALTH NET FEDERA...	2157971.0	2.78254386023E9	1289.4259747837204
HEALTH NET FEDERA...	2359163.0	2.78254386023E9	1179.4623178771453
HEALTH NET FEDERA...	2382560.0	2.78254386023E9	1167.8798688091802
UNITED LAUNCH SER...	1971781.0	2.0998831267800002E9	1064.9677255131276
UNITED LAUNCH SER...	2098482.0	2.0998831267800002E9	1000.6676858700719
GENERAL ATOMICS A...	1794950.0	1.7455848524600003E9	972.4977589682165
UNITED LAUNCH SER...	2254277.0	2.0008821267800002E9	931.1602712621021

Further Analysis

- Need to deal with duplicate and differing vendor information.
- Could some ML approach be applied to match vendors like “BOEING COMPANY, THE” and “THE BOEING COMPANY”.