



OFFICE OF INSPECTOR GENERAL
U.S. Agency for International Development

USAID Complied in Fiscal Year 2017 With the Digital Accountability and Transparency Act of 2014

AUDIT REPORT 0-000-18-001-C
NOVEMBER 8, 2017

1300 Pennsylvania Avenue NW • Washington, DC 20523
oig.usaid.gov • 202-712-1150

The Office of Inspector General provides independent oversight that promotes the efficiency, effectiveness, and integrity of foreign assistance provided through the entities under OIG's jurisdiction: the U.S. Agency for International Development, U.S. African Development Foundation, Inter-American Foundation, Millennium Challenge Corporation, and Overseas Private Investment Corporation.

Report waste, fraud, and abuse

USAID OIG Hotline

Email: ighotline@usaid.gov

Complaint form: <https://oig.usaid.gov/content/oig-hotline>

Phone: 202-712-1023 or 800-230-6539

Mail: USAID OIG Hotline, P.O. Box 657, Washington, DC 20044-0657



MEMORANDUM

DATE: November 8, 2017

TO: USAID/Bureau for Management/Office of the Chief Financial Officer,
Chief Financial Officer, Reginald W. Mitchell

FROM: Deputy Assistant Inspector General for Audit, Alvin A. Brown /s/

SUBJECT: USAID Complied in Fiscal Year 2017 With the Digital Accountability and
Transparency Act of 2014 (0-000-18-001-C)

Enclosed is the final audit report on USAID's compliance in fiscal year (FY) 2017 with the Digital Accountability and Transparency Act. The Office of Inspector General (OIG) contracted with the independent certified public accounting firm of GKA P.C. (GKA) to conduct the audit. The contract required GKA to perform the audit in accordance with generally accepted government auditing standards.

In carrying out its oversight responsibilities, OIG reviewed the audit firm's report and related audit documentation and inquired of its representatives. The audit firm is responsible for the enclosed auditor's report and the conclusions expressed in it. We found no instances in which GKA did not comply, in all material respects, with applicable standards.

The audit objectives were to assess (1) the completeness, timeliness, quality, and accuracy of FY 2017 second quarter financial and award data submitted for publication on USASpending.gov and (2) USAID's implementation and use of the Governmentwide financial data standards established by the Office of Management and Budget (OMB) and the U.S. Department of the Treasury.

The audit firm concluded that USAID's FY 2017 financial and award data for the quarter ended March 31, 2017, substantially complied with the DATA Act requirements for completeness, timeliness, quality, and accuracy. The audit firm also concluded that USAID effectively implemented and used the applicable Governmentwide financial data standards established by OMB and Treasury.

We agreed with the report conclusions. The report contained no recommendations.

We appreciate your assistance to our staff and GKA's employees during the engagement.



1015 18th Street, NW Suite 600
Washington, DC 20036
Tel: 202-857-1777
Fax: 202-857-1778
www.gkacpa.com

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Fiscal Year 2017 DATA ACT Performance Audit

Submitted November 1, 2017 to:

**Damian Wilson
Contracting Officer's Representative
U.S. Agency for International Development
Office of the Inspector General
Financial Audits Division
1300 Pennsylvania Ave., NW
Washington, DC 20036**

**Contact:
Michael Gardiner
Email: MGardiner@gkacpa.com
Phone: (202) 857-1777
Fax: (202) 857-1778**

CONTENTS

INTRODUCTION	1
BACKGROUND	2
SUMMARY OF RESULTS	2
SUGGESTIONS.....	4
EVALUATION OF MANAGEMENT COMMENTS	5
SCOPE AND METHODOLOGY.....	6
APPENDIX I – USAID DATA COLLECTION PROCESS.....	8
APPENDIX II – DATA BROKER ISSUES.....	12
APPENDIX III - MANAGEMENT COMMENTS.....	14

The following abbreviations appear in this report:	
CIGIE	Council of the Inspectors General on Integrity and Efficiency
DATA Act	Digital Accountability and Transparency Act of 2014
DAIMS	DATA Act Information Model Schema
FAEC	Federal Audit Executive Council DATA Act Working Group
FAAD	Federal Assistance Award Data System
FFATA	Federal Funding Accountability and Transparency
FPDS-NG	Federal Procurement Data System – Next Generation
FSRS	FFATA Sub-Award Reporting System
GAGAS	Generally Accepted Government Auditing Standards
GAO	Government Accountability Office
GLAAS	Global Assistance Acquisition System – USAID procurement system
IG	Inspector General
OMB	Office of Management and Budget
Phoenix	USAID financial system
SAM	System for Award Management
SAO	Senior Accountability Officer
Treasury	Department of the Treasury

INTRODUCTION

For Fiscal Year (FY) 2017, the U.S. Agency for International Development (USAID), Office of the Inspector General (IG) contracted with GKA P.C. (GKA) to conduct a performance audit of USAID's compliance with the provisions of the Digital Accountability and Transparency Act of 2014 (DATA Act).

We conducted our audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The objectives of this engagement are to assess:

1. Completeness, timeliness, quality, and accuracy of fiscal year 2017 (FY17), second quarter (Q2) financial and award data submitted for publication on USASpending.gov; and
2. USAID's implementation and use of the Government-wide financial data standards established by OMB and Treasury¹

Completeness is measured in two ways: (1) all transactions that should have been recorded are recorded in the proper reporting period and (2) the percentage of transactions containing all applicable data elements required by the DATA Act. *Timeliness* is measured as the percentage of transactions reported within 30 days of quarter end. *Quality* is defined as a combination of utility, objectivity, and integrity. Utility refers to the usefulness of the information to the intended users. Objectivity refers to whether the disseminated information is being presented in an accurate, clear, complete, and unbiased manner. Integrity refers to the protection of information from unauthorized access or revision. *Accuracy* is the percentage of transactions that are complete and consistent with the systems of record or other authoritative sources.

The layout of the data files are listed below:

- File A: Appropriations Account;
- File B: Object Class and Program Activity;
- File C: Award Financial;
- File D1: Award and Awardee Attributes – Procurement Awards (contracts/ acquisition type);
- File D2: Award and Awardee Attributes – Financial Assistance Awards;
- File E: Additional Awardee Attributes; and
- File F: Sub-Award Attributes.

Our sample size of 387 awards consisted of 260 grants (assistance type) 127 contracts (acquisition type) from File C. Our examination included testing compliance with the Office of

¹ Federal agencies are not required to begin reporting under the DATA Act until fiscal year 2017, second quarter. For this reason, the earliest available data that will be displayed on USASpending.gov under the DATA Act in May 2017 are from fiscal year 2017, second quarter.

Management and Budget (OMB) and the Department of the Treasury (Treasury) published 57² data definition standards, where applicable.

BACKGROUND

The DATA Act, in part, requires Federal agencies to report financial and award data in accordance with the established Government-wide financial data standards. In May 2015, OMB and Treasury published 57 data definition standards and required Federal agencies to report financial data in accordance with these standards for DATA Act reporting, beginning January 2017³. Once submitted, the data will be displayed on USASpending.gov for taxpayers and policy makers.

As written in the DATA Act, the first set of IG reports were due to Congress in November 2016. However, Federal agencies are not required to submit spending data in compliance with the DATA Act until May 2017. As a result, IGs were not able to report on the spending data submitted under the DATA Act, as this information would not exist until 2017. For this reason, the Council of the Inspector General on Integrity and Efficiency (CIGIE) developed an approach to address the reporting date anomaly. The IGs plan to provide Congress with the first required reports by November 8, 2017, 1-year later than the due date in the statute, with subsequent reports following on a 2-year cycle, in November 2019 and November 2021.

Under the DATA Act, each Office of Inspector General is required to issue three reports on its agency's data submission and compliance with the DATA Act. The first required report is due November 8, 2017 and will be updated for subsequent reports due November 2019 and 2021 based on feedback from the IG community and the Government Accountability Office (GAO) after the first reports have been issued.

SUMMARY OF RESULTS

We conclude that USAID's FY 2017 Q2 financial and award data for the quarter ended March 31, 2017 substantially complies with the DATA Act. We determined that USAID's FY 2017 Q2 financial and award data submission for publication on USASpending.gov was reasonable for completeness, timeliness, quality and accuracy. We determined that USAID effectively implemented and used the Government-wide financial data standards established by OMB and Treasury, where applicable.

As directed by the *Federal Audit Executive Council (FAEC) Inspector General Guide to Compliance Under the DATA Act*⁴, we selected a statistically valid sample of certified spending data from the reportable award-level transactions included in USAID's certified data submission for File C. The population size of File C was 7,380 records. The sample size of 387 was based on a 95 percent confidence level, an initial-year expected error rate of 50 percent, and a desired sampling precision of 5 percent.

² Under FFATA, Federal agencies report 259 data elements to USASpending.gov. However, Treasury and OMB identified 49 existing elements, deemed controversial in nature, and 8 new data elements requiring standardization. This guide describes review procedures for these 57 Government-wide financial data standards.

³ The 57 data elements including definitions can be found at <https://fedspendingtransparency.github.io/data-elements/>

⁴ FAEC DATA Act Working Group Inspectors General Guide to Compliance Under the DATA Act (02/27/17); page 16 sampling criteria

TABLE 1. ERROR RATE CALCULATION

ATTRIBUTE	ERRORS	SAMPLING ERROR (MARGIN OF ERROR)
Completeness	None	0%
Timeliness	None	0%
Accuracy	32	8.3%
Quality (see Appendix II DATA Broker Errors)	N/A	N/A

FAEC identified data errors due to DATA Act Broker (Broker) issues that were not caused by USAID. These known Government-wide data elements with errors were not included in the calculation for completeness, timeliness, accuracy and error rate (Appendix II):

- Error Rate Calculations – to more accurately reflect the root causes of errors and to reflect the error rate that is within USAID's control, two rates will be reported to show USAID errors and Broker errors
- Warning Messages – will not invalidate submission, therefore, will not be calculated in error rates
- Government-Wide Data Reporting Issues – USAID has no responsibility for how data is extracted by the Broker
- Testing Limitations for Data Reported from Files E and F – the authoritative sources for this data is extracted from outside reporting systems with no additional action required of USAID
- Data Quality Assessments – until the weaknesses identified are addressed, any efforts to assess the quality of data will be limited

Consequently, we are making suggestions (as applicable) for improvement in controls and other operational matters for management's consideration. These suggestions are intended to improve internal control or result in other operating efficiencies in the data gathering and submission process.

SUGGESTIONS

We have no findings to report as a result of our audit; however, we noted the following issues and suggest that:

1. USAID develop a reconciliation/ validation process prior to submission of data to Data Broker

USAID does not have a data reconciliation/ validation process prior to submitting data to the Broker. By not performing a reconciliation/ validation process, there is an increased risk that erroneous data may be submitted by USAID to USASpending.gov.

2. Maintain source records that are readily available

Completed/ signed source records are not maintained in USAID system of source, GLAAS, even though the 387 unsigned contracts were generated within GLAAS. These records are the responsibility of the Agreement Officer (AO)/ Contracting Officer (CO). USAID stated that its document retention system, ASIST, maintains these documents. Upon review, ASIST did not have the records and they had to be provided by the AO/ CO. Management provided 300 of the 387 completed/signed source records (77.5%).

3. USAID should ensure the quality of data within its system of record

Even though the award and awardee non-financial attribute data submitted to the Broker in Files D1 and D2 were accurately reported to USASpending.gov, the source data from GLAAS was not. The Broker pulls some award and awardee non-financial attribute data from external sources that are interfaced with USAID. This does not affect the completeness, timeliness or accuracy of the data submission (see Appendix I, details on File sD1 and D2 submission).

EVALUATION OF MANAGEMENT COMMENTS

We provided a draft report to USAID management for their comment. In their comments, USAID management said that they concurred with the audit conclusion.

SCOPE AND METHODOLOGY

Scope

The scope of this engagement is FY17 Q2 financial and award data the Federal agency submitted for publication on USASpending.gov and any applicable procedures, certifications, documentation, and controls to achieve this process. According to OMB's Management Procedures Memorandum No. 2016-03⁵ data reported by Federal agencies in fiscal year 2017, second quarter will be displayed on USASpending.gov by May 2017.

To accomplish the objectives, GKA:

- Obtained an understanding of any regulatory criteria related to its agency's responsibilities to report financial and award data under the DATA Act;
- Assessed USAID systems, processes, and internal controls in place over data management⁶ under the DATA Act;
- Assessed the general controls pertaining to the financial management systems (e.g. grants, loans, procurement) from which the data elements were derived and linked;
- We relied on Applications Control Report, A-000-18-005-C, for the application controls pertaining to the financial management systems (e.g. grants, loans, procurement) from which the data elements were derived and linked;
- Assessed its agency's internal controls in place over the financial and award data reported to USASpending.gov per OMB Circular A-123⁷
- Reviewed a statistically valid sample from FY17 Q2 financial and award data submitted by the agency for publication on USASpending.gov;
- Assessed the completeness, timeliness, quality, and accuracy of the financial and award data sampled; and
- Assessed USAID implementation and use of the 57 data definition standards established by OMB and Treasury.

Methodology

We conducted our work from June 19, 2017 through October 31, 2017 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

During the planning phase of our audit we reviewed all pertinent laws and guidance that related to USAID's implementation of the DATA Act, including FFATA of 2006, GFTA of 2008, and the DATA Act of 2014. We also reviewed Federal guidance and policies such as the DATA Act Implementation Playbook, OMB Open Governance Directives M-10-06 and OMB Memorandum M-15-12 and MPM-2016-03. We also examined the 57 data elements contained in the data definition standards and their respective data fields, as well as the DATA Act Information Model

⁵ OMB Management Procedures Memorandum No. 2016-03, Additional Guidance for DATA Act Implementation: Implementing Data-Centric Approach for Reporting Federal Spending Information (May 3, 2016)

⁶ For the purposes of this guide, data management refers to the policies and procedures an agency has in place to manage the flow of Federal and spending award data throughout its entire life cycle.

⁷ OMB Circular A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control* (July 15, 2016)

Schema (DAIMS) v 1.0. DAIMS provides the reporting data and format for how agencies will submit DATA Act information to Treasury's DATA Act broker system.

Our methodology during fieldwork was based on the following objectives: (1) assess the completeness, timeliness, quality, and accuracy of FY17 Q2 financial and award data submitted for publication on USASpending.gov and (2) assess USAID's implementation and use of the Government-wide financial data standards established by OMB and Treasury. We determined that USAID has implemented processes to comply with the requirements of financial award and data submission for the DATA Act.

To determine whether USAID had taken steps to submit complete, accurate, timely and quality data to the Broker, we interviewed USAID officials responsible for implementing the DATA Act process, including the SAO and members of the DATA Act Working Group. During the interviews, we asked USAID's DATA Act Work Group to walk us through their timelines and methods for reviewing the DATA Act elements when they were first released by OMB and Treasury in August 2015. This included email correspondence within the workgroup to verify that members reviewed the elements and identified any areas that didn't pertain to USAID.

Through interviews, we determined which USAID IT systems feed data to the DATA Act Broker, as well as the data from those systems that will feed pertinent DATA Act elements. These systems include GLAAS and Phoenix. We reviewed reports that measured the accuracy and completeness of the data, both at the appropriations account level of obligations, and outlays by program activity and by object class.

USAID staff provided us with a walk through of the GLAAS and its interface with Phoenix. We determined that the data inputted into GLAAS by the contracting official is integrated into Phoenix and can be exported by FPDS-NG and USASpending.gov to corroborate the data submitted to the Broker.

To determine the objectives of the engagement we performed the following:

- We tested the summary-level data in Files A and B to USAID SF-133, *Report on Budget Execution and Budgetary Resources*;
- We reconciled a statistically valid sample of detail-level data in File C to Files D1 (procurement awards) and D2 (assistance awards);
- We reconciled a statistically valid sample of detail-level data in File C to GLAAS, USAID system of record; and
- Using the sample, we confirmed that USAID submitted data in accordance with the Government-wide financial data standards established by OMB and Treasury.

Appendix I – USAID Data Selection Process

Appendix A of OMB Memo M-14-04 describes the assurance expected for each DATA Act file. This section summarizes OMB’s expectations and explains how USAID’s submission fulfills OMB’s criteria.

DATA Act File	DATA Act SAO Assurance Required
A: Appropriations Account	The data reported in File A match the authoritative source (i.e., SF-133) and that all TAS are reported.

USAID’s DATA Act File A is taken directly from its quarterly SF-133. The SF-133 file is downloaded from Treasury and loaded into a database table. USAID’s DATA Act process pulls the SF-133 from that table. As a result, USAID’s File A is by definition in complete agreement with its SF-133.

DATA Act File	DATA Act SAO Assurance Required
B: Object Class and Program Activity	The total amount reported in File B matches the authoritative source (i.e., SF-133) and that Program Activity and Object Class Codes are reported based on the President’s Budget as executed and A-11 respectively.
C: Award Financial	Data reported in File C match the authoritative source (i.e., agency financial systems).

USAID’s DATA Act Files B and C are pulled from Phoenix’s general ledger, accounting journal and transaction journal through an automated reporting process. Phoenix has been the agency’s financial system of record since 2000 and is subject to multiple regular audits, including GMRA, FISMA and FFMIA. USAID is confident in the quality of Phoenix’s data. In addition:

- File B is validated against File A (and therefore the SF-133). There are no discrepancies in amounts, showing that USAID’s File B matches its SF-133.
- File C is validated against data from USAID’s GLAAS procurement system. There were no discrepancies between the systems.

DATA Act File	DATA Act SAO Assurance Required
D1: Procurement Award Attributes	Data reported pursuant to FFATA (P.L. 109-282) as amended by the DATA Act (P.L. 113- 101), are sourced from and match FPDS-NG at the time of quarterly reporting.
D2: Financial Assistance Award Attributes	Data reported in File D2 match the authoritative source (i.e., agency award management systems) for award-level data and the authoritative source (i.e., SAM) at the time of the award for prime awardee information.

DATA Act Files D1 and D2 are pulled by Treasury from USAID’s data in USASpending.gov. This data is ultimately derived from submissions to FPDS-NG and ASP from GLAAS, USAID’s procurement system of record. M/OAA owns GLAAS and is responsible for the data extracted from GLAAS to USASpending.gov.

M/OAA is confident in the accuracy of the data captured in the D1 and D2 files.

Appendix I – USAID Data Selection Process

- File D1 contains acquisition data reported to USASpending.gov via GLAAS's FPDS-NG interface. This data is reported at the time of obligation for each action. A system hard stop requires reporting of every action or award over the micro-purchase threshold.
- File D2 contains assistance data extracted from GLAAS and reported via ASP to USASpending.gov on a weekly basis (FFATA requires twice monthly reporting).

Beginning in FY2016, M/OAA implemented a more streamlined acquisition and assistance data quality check process. This weekly process identifies data discrepancies among specific data elements and also incorporates the correction of the associated data.

DATA Act File	DATA Act SAO Assurance Required
E: Highly Compensated Officer Data	Agencies will be able to leverage assurances based on the internal controls of the system owner, the General Services Administration (GSA) in accordance with A-123. In addition, for procurement-related awards, agencies will leverage the existing OMB guidance on subaward data quality.
F: Subaward Attributes	Agencies will be able to leverage assurances based on the internal controls of the system owner, GSA, in accordance with A-123. OMB is reviewing mechanisms to further enhance assurances over these data for financial assistance awards. In addition, for procurement-related awards, agencies will leverage the existing OMB guidance on subaward data quality.

Files E and F contain data pulled from e-Gov systems that are managed by the General Services Administration (GSA).

- File E contains data from the System for Award Management (SAM), which prime awardees use to enter the company information associated with their unique identifier.
- File F contains data from the FFATA Subaward Reporting System (FSRS), which prime awardees use to enter subaward information.

Prime awardees are responsible for entering data in both systems. USAID does not own these systems, nor does it control how data is entered into these systems. In addition, Treasury is responsible for extracting data from SAM and FSRS into DATA Act Files E and F. USAID does not control the systems or the data at any point in the process.

OMB has stated that agencies can leverage the language from the Procurement Management Review (PMR) Verification on GSA's Federal Service Desk website to certify the validity of the data in Files E & F:

The System for Award Management (SAM) and FFATA Subaward Reporting System (FSRS) successfully passed the security controls assessment at the Federal Information Processing Standards (FIPS) 199 Moderate impact level, in accordance with FISMA and NIST policy guidelines and GSA Security Assessment and Authorization (A&A) process. GSA has determined that the risk to Federal Agency operations, data, and/or assets resulting from the operation of the common controls of SAM and FSRS information systems are acceptable and meet all the security controls required for DATA Act reporting. Accordingly, agencies can rely on data from SAM and FSRS for DATA Act reporting.

USAID's SAO relies on this statement when certifying the information in Files E and F.

Appendix I – USAID Data Selection Process

WARNING MESSAGES

The DATA Act Broker performs validation checks before data can be submitted for publication on USASpending.gov. Treasury has confirmed these validation checks so that if the data submitted is not consistent with the DAIMS, and supporting artifacts, a warning or critical error message will display. A warning message will still accept the data for submission. A critical error message will prevent the agency from submitting its data. USAID received the following warning messages from the DATA Broker:

FILE: WARNING/ VALIDATION CODE	DESCRIPTION
B: B11	Object Class Codes of 000 (221 lines)
C: C9	Unique Federal Award Identification Number (FAIN) from File D2 exists in File C (14 lines)
C: C12	Each unique Procurement Instrument Identifier (PIID) from File D1 should exist in File C (22 lines)
C: C23	For each unique PIID (or FAIN) in File C, the sum of each “Transaction Obligated Amount” should match (but with opposite signs) the sum of the “Federal Action Obligation” reported in File D1. (55 lines)

File B Warnings:

- B11: Object Class Codes of 000 (221 lines)

The DATA Broker expects a valid OMB object class code on every line. Phoenix requires a valid object class code on all obligations and payments, but many File B amounts come from journal voucher, accrual and advance transactions that do not require object class codes. USAID will work to add object class codes to these Phoenix transactions where appropriate.

File C Warnings:

- C9: Unique FAIN/URI from File D2 exists in File C (14 lines)
- C12: Each unique PIID from File D1 should exist in File C (22 lines)

The Data Broker expects that every non-zero-dollar entry in File D1 and D2 will exist in File C. In 36 cases awards existed in both Phoenix and GLAAS, but the award action date reported to FPDS-NG fell in FY17Q2 while the obligation action was recorded in Phoenix in Q1 or Q3. This is an accepted business process at USAID. In these cases the award appears in File D1 but not in File C.

- C23: For each unique PIID (or FAIN) in File C, the sum of each “Transaction Obligated Amount” should match (but with opposite signs) the sum of the “Federal Action Obligation” reported in D1. (55 lines)

The Data Broker expects that the obligated amounts on Files C and D1/D2 will match for a given award.

- In thirty-two (32) cases (26 for D1 and 6 for D2) the award action exists in both GLAAS and Phoenix, but the award action date reported to FPDS-NG fell in FY17Q2 while the obligation

Appendix I – USAID Data Selection Process

action was recorded in Phoenix in Q1 or Q3. In these cases the obligation amounts appear in File D1/D2 but not in File C. This is an acceptable business process at USAID.

- The three (3) cases for D1, a USAID mission did not report an obligation amount to FPDS-NG because it incorrectly thought the fund used was non-appropriated. The mission will correct this action.
- In twenty (20) cases for D2, the File C and D2 obligation amounts differ by \$1 or \$2. The assistance amounts in file D2 is rounded to the dollar at the award level, while File C is rounded by combination of award, TAS and object class code. This difference in rounding produces small amount differences.

USAID does not reconcile or validate the data prior to submission, it is the Brokers responsibility and USAID responds in kind. We assessed USAID's corrective action plan and determined it to be reasonable.

GOVERNMENT-WIDE DATA REPORTING ISSUES

Current Total Value of Award and Potential Total Value of Award Errors for Procurement Award Modifications – Data from the (1) Current Total Value of Award and (2) Potential Total Value of Award elements are extracted from the Federal Procurement Data System – Next Generation (FPDS-NG) via the legacy USASpending.gov and provided to the Broker. Specifically, data for these elements are extracted from the following FPDS-NG fields respectively: (1) base and exercised options value and (2) base and all options value. These two fields are categorized in FPDS-NG under two columns for data entry labeled “Current” and “Total”. The “Current” column contains amount entered into the system by the agency. The “Total” column contains cumulative amounts computed by FPDS-NG based on the modification amounts entered into the system by the agency. Procurement award modifications, included in our sample, reported values for these elements from FPDS-NG’s “Current” column, which displays the modification amount, rather than the “Total” column, which displays the total award value. As a result, data for the Current Total Value of Award and Potential Total Value of Award elements were inconsistent with agency records. A no-cost modification would cause the “Total” column to display an erroneous zero balance. Procurement awards (base awards) that were not modified did not produce these same errors. The Department of the Treasury’s PMO Government-wide DATA Act Program Management Office officials confirmed that they are aware that the Broker currently extracts data for these elements from the “Current” column rather than the “Total” column. A Treasury official stated that the issue will be resolved once DAIMS version 1.1 is implemented in the Broker and related historical data from USASpending.gov are transferred to Beta.USASpending.gov during fall 2017. However, as USAID does not have responsibility for how data is extracted by the Broker, we did not evaluate the reasonableness of Treasury’s planned corrective plan.

Indefinite Delivery Vehicle (IDV) Type Errors – For procurement awards included in our sample, data from the IDV Type element should be extracted from FPDS-NG and provided to the Broker. The FPDS-NG atom feed delivers the IDV Type and Contract Award Type in the same field. The Broker did not break down the data for the IDV Type which resulted in inconsistencies with agency records. Treasury’s DATA Act PMO officials confirmed that they are aware of this issue and have taken steps to avoid this issue in future reporting periods. However, as USAID does not have responsibility for how data is extracted by the Broker, we did not evaluate the reasonableness of Treasury’s planned corrective action.

Legal Entity City Code and Primary Place of Performance County Name Errors – the interface definition document (IDD), a DAIMS artifact, states that data from Legal Entity City Code and Primary Place of Performance County Name, for financial assistance awards in File D2, are extracted via Treasury’s Award Submission Portal (ASP). During fieldwork, we noted that data for these two fields were consistently blank. A Treasury official stated that data for Legal Entity City Code had not been derived since January 2017 and there were plans to reconsider how this element would be handled. The Treasury official further explained that data derived for Primary Place of Performance County Name would not be implemented until September 2017. Because data for these elements were not derived or implemented these data fields were consistently blank and therefore not reported for display on USASpending.gov. However, as USAID does not have responsibility for how data is extracted by the Broker from Treasury’s ASP, we did not evaluate the reasonableness of Treasury’s planned corrective action.

TESTING LIMITATIONS FOR DATA REPORTED FROM FILES E AND F

File E of the DATA Act Information Model Schema (DAIMS) contains additional awardee attribute information extracted from the System for Award Management (SAM) via the DATA Act Broker (Broker). File F contains sub-award attribute information extracted from the FFATA Sub-

award Reporting System (FSRS) via the Broker. It is the prime awardee's responsibility to report sub-award and executive compensation information in SAM and FSRS. Data reported from these two award reporting systems are generated in the Broker for display on USASpending.gov. As outlined in OMB's Management Procedures Memorandum (MPM) 2016-03, the authoritative source for the data reported in Files E and F are SAM and FSRS respectively with no additional action required of Federal agencies. As such, we did not assess the completeness, accuracy, timeliness, and quality of the data extracted from SAM and FSRS via the DATA Act Broker.

DATA QUALITY ASSESSMENTS

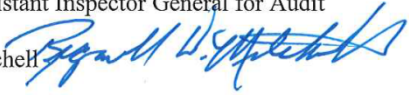
Until the weaknesses identified in this report are addressed, any efforts to assess the quality of USAID's data submitted for publication on Beta.USASpending.gov will be limited.

MANAGEMENT COMMENTS



Chief Financial Officer

MEMORANDUM

TO: Tom Yatsco, Assistant Inspector General for Audit
FROM: Reginald W. Mitchell 
DATE: November 7, 2017
SUBJECT: Management Response to Draft Fiscal Year 2017 DATA ACT Performance Audit

Thank you for your draft report on the *Fiscal Year 2017 DATA ACT Performance Audit* and for the professionalism exhibited by your staff throughout this process.

After review of the subject draft, we have no comments but offer the following as way of background. Fiscal Year (FY) 2017 was a significant year for federal financial management at USAID. The Agency reported Data Act data to Treasury for the first time in April 2017, and Treasury launched the Beta.USASpending.gov website on May 9, 2017, in accordance with statutory requirements. Treasury has been making continual improvements to the Beta.USASpending.gov website since May while continuing to maintain the legacy USASpending.gov website to allow for the historic data to be integrated into the new website gradually and allow data users to become familiar with the new website.

USAID, through the Chief Financial Officers Council, has been working together with the Office of Management and Budget and Treasury to engage and closely monitor the comprehensive work by General Accountability Office (GAO) and the USAID Inspector General to review data submissions under the Act and develop the reports on data quality required under the DATA Act this November. Accordingly, we appreciate the subject draft report insights and look forward to continued improvements in this transformative effort to provide greater transparency of Federal spending in an iterative process that began over a decade ago and has accelerated its pace thanks in large part to the DATA Act. The April 2017 data has been subjected to audit with the expectation that the results would serve as a baseline for assessing data quality and continuing our efforts to improve it on a quarterly basis using an iterative, agile approach.