

# CORPORATION FOR NATIONAL & COMMUNITY SERVICE

## OFFICE OF INSPECTOR GENERAL

Performance Audit of the Corporation for  
National & Community Service's Compliance  
under the Digital Accountability and  
Transparency Act of 2014

Fiscal Year 19, Quarter 1  
DATA Act Submission

OIG Report 20-05

Prepared by:

CliftonLarsonAllen LLP  
901 North Glebe Road,  
Suite 200  
Arlington, VA 22203



This report was issued to Corporation management on November 8, 2019. Under the laws and regulations governing audit follow up, the Corporation is to make final management decisions on the report's findings and recommendations no later than May 8, 2020, and complete its corrective actions by November 9, 2020. Consequently, the reported findings do not necessarily represent the final resolution of the issues presented.



November 8, 2019

MEMORANDUM TO: Robert McCarty  
Chief Financial Officer

FROM: Monique P. Colter /s/  
Assistant Inspector General for Audit

SUBJECT: Office of Inspector General Final Report 20-05

Enclosed is the OIG Final Report 20-05: *Performance Audit of the Corporation for National and Community Service's Compliance under the Digital Accountability and Transparency Act of 2014, Fiscal Year 2019 Quarter 1 Submission*. The audit was conducted by CliftonLarsonAllen (CLA) in accordance with standards established by the *Government Auditing Standards*, issued by the Comptroller General of the United States.

Under the Corporation for National and Community Service's audit resolution policy, a final management decision on the findings and recommendations in this report is due by May 8, 2020. Notice of final action is due by November 9, 2020.

If you have questions pertaining to this report, please contact me at (202) 606-9360 or [M.Colter@cncsoig.gov](mailto:M.Colter@cncsoig.gov).

Enclosed:  
As Stated

cc: Barbara Stewart, Chief Executive Officer  
Lisa Guccione, Chief of Staff  
Brian Finch, Acting Chief Operating Officer  
Timothy Noelker, General Counsel  
Dr. Pape Cissé, Chief Information Officer  
Joseph Liciardello, Acting Chief Grants Officer  
Jill Graham, Acting Chief Risk Officer  
Rachel Turner, Audits and Investigations Program Manager  
Mia Leswing, Principal-in-Charge, CliftonLarsonAllen LLP

## Table of Contents

<b>INDEPENDENT AUDITORS' REPORT</b> .....	2
<b>EXECUTIVE SUMMARY</b> .....	3
<b>PURPOSE</b> .....	4
<b>OBJECTIVES</b> .....	4
<b>BACKGROUND</b> .....	4
<b>PRIOR REVIEWS</b> .....	7
<b>OVERALL AUDIT RESULTS</b> .....	7
<b>Assessment of DATA Act Submission</b> .....	7
<b>Overall Assessment of Implementation and Use of Data Standards</b> .....	10
<b>Internal Controls Deficiencies:</b> .....	13
<b>Section 1: Internal Controls over Data Management and Processes</b> .....	13
<b>Section 2: Internal Controls over Data Act Submission and Processes</b> .....	16
<b>Section 3: Internal and Information System Controls over Source Systems</b> .....	17
<b>Section 4: Unimplemented Recommendations</b> .....	18
<b>RECOMMENDATIONS</b> .....	18
<b>Summary of Management's Comments</b> .....	20
<b>Evaluation of Management's Comments</b> .....	20
<b>APPENDIX I – SCOPE AND METHODOLOGY</b> .....	21
<b>APPENDIX II – FEDERAL SPENDING TRANSPARENCY DATA STANDARDS</b> .....	23
<b>APPENDIX III – STATUS OF FY 2017 DATA ACT AUDIT RECOMMENDATIONS</b> .....	25
<b>APPENDIX IV - NON-STATISTICAL TESTING RESULTS</b> .....	27
<b>APPENDIX V – DATA ACT DATE ANOMALY LETTER</b> .....	31
<b>APPENDIX VI – MANAGEMENT'S COMMENTS</b> .....	33
<b>APPENDIX VII – REPORT DISTRIBUTION</b> .....	34

INDEPENDENT AUDITORS' REPORT

Office of Inspector General  
Corporation for National and Community Service

The Corporation for National Community and Community Service (CNCS) is required to submit quarterly financial and award data for publication on USASpending.gov in compliance with the Digital Accountability and Transparency Act of 2014 (DATA Act). The CNCS Office of Inspector General contracted with CliftonLarsonAllen LLP (CLA), an independent certified public accounting firm, to conduct a performance audit on CNCS's compliance under the DATA Act. The objectives of this performance audit were to assess (1) the completeness, accuracy, timeliness and quality of CNCS fiscal year (FY) 2019, first-quarter financial and award data submitted for publication on USASpending.gov, and (2) CNCS' implementation and use of the Government-wide financial data standards established by Office of Management and Budget and the U.S. Department of the Treasury.

We conducted our performance audit in accordance with auditing standards generally accepted in the United States of America, as applicable to performance audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, also known as the "Yellow Book". 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. Our summary is hereby incorporated as expressed in the Executive Summary, page 5, in the enclosed report.

Our work did not include an assessment of the sufficiency of internal control over financial reporting or other matters not specifically outlined in the enclosed report. CLA cautions that projecting the results of our performance audit to future periods is subject to the risks that conditions may materially change from their current status. We concluded our fieldwork and assessment on October 1, 2019. We have no obligation to update our report or to revise the information contained therein to reflect events and transactions occurring subsequent to October 1, 2019.

The purpose of this audit report is to report on CNCS's FY 2019, Quarter 1, financial and award data for publication on USASpending.gov in compliance with the DATA Act and is not suitable for any other purpose.



CliftonLarsonAllen LLP  
Arlington, VA  
October 1, 2019

## EXECUTIVE SUMMARY

### CORPORATION FOR NATIONAL COMMUNITY SERVICE'S (CNCS) COMPLIANCE WITH DIGITAL ACCOUNTABILITY AND TRANSPARENCY ACT (DATA ACT)

<b>Background</b>	<p><b>DATA Act</b> – Requires Federal agencies to report financial and award data in accordance with the established Government-wide financial data standards.</p> <p><b>DATA Act Standards</b> – Office of Management and Budget and Department of Treasury established standards for 57 data elements for Federal agencies to use in reporting financial and award information to the public through USASpending.gov.</p>
<b>Objective</b>	<p>To assess the completeness, accuracy, timeliness, and quality of CNCS fiscal year (FY) 2019, first-quarter financial and award data submitted for publication on USASpending.gov; and Corporation for National and Community Service's (CNCS) implementation and use of the Government-wide financial data standards.</p>
<b>Audit Results</b>	<p><b>Overall Conclusion</b> – CNCS was not fully in compliance with the DATA Act requirements for completeness, accuracy, and timeliness pertaining to the DATA Act submission and data elements. The submission was timely, but not complete<sup>1</sup> as it relates to financial and grant award detail data. CNCS's financial data records contained errors regarding completeness, accuracy, and timeliness for certain data elements. Overall, CNCS's data quality was initially rated "Low" because 67 percent of the records, that had no obligation or outlay information, were improperly included in the submission. For testing purposes, we excluded those records, which, after the exclusion, resulted in data quality rating of "High". We also continued to observe internal control issues and errors that CNCS needs to address to improve the quality of its data.</p>
<b>Corrective Actions</b>	<p><b>Recommendations</b> – We recommend CNCS: (1) develop and maintain a Data Quality Plan; (2) document the basis for the Senior Accountable Official's certification; (3) include control process for documenting the data inventory, data mapping, validation controls; (4) resolve DATA Broker warnings; and (5) ensure reconciliations are complete and differences are corrected prior to submission, and (6) ensure that de-obligation of grants with canceled funds are reported to Financial Assistance Broker Submission when they occur.</p>

<sup>1</sup> Complete is defined as "transactions and events that should have been recorded are recorded in the proper period."

## **PURPOSE**

In compliance with the Digital Accountability and Transparency Act of 2014 (DATA Act), the Corporation of National & Community Service (CNCS) is required to submit quarterly financial and award data for publication on USASpending.gov.<sup>2</sup> CNCS's Office of Inspector General (CNCS-OIG) contracted with CliftonLarsonAllen LLP (CLA), an independent certified public accounting firm, to conduct a performance audit on CNCS' compliance under the DATA Act.

## **OBJECTIVES**

The objectives of our performance audit were to assess:

- (1) The completeness, accuracy, timeliness, and quality of CNCS fiscal FY 2019, first-quarter financial and award data submitted for publication on USASpending.gov, and
- (2) CNCS' implementation and use of the Government-wide financial data standards established by the Office of Management and Budget (OMB) and the U.S. Department of the Treasury (Treasury).

## **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, the OMB and Treasury published 57 data definition standards (commonly referred to as data elements) and required Federal agencies to report financial and award data in accordance with these standards for DATA Act reporting, in January 2017. Subsequently, and in accordance with the DATA Act, Treasury began displaying Federal agencies' data on USASpending.gov for taxpayers and policymakers in May 2017.

The DATA Act also requires the Office of Inspector General (OIG) of each Federal agency to audit a statistically valid sample of the spending data submitted by its Federal agency and to submit to Congress a publicly available report assessing the completeness, accuracy, timeliness, and quality of the data sampled; and the implementation and use of the Government-wide financial data standards by the Federal agency.

To meet the DATA Act needs of the Inspector General (IG) community and to assure the consistency of the testing approach and methodology used by the IGs across the Federal agencies, the Council of the Inspectors General on Integrity and Efficiency (CIGIE) Federal Audit Executive Council (FAEC) established the DATA Act Working Group to provide a common approach and methodology, referred to as the IG guide.

---

<sup>2</sup> USASpending.gov is the official source for spending data for the U.S. Government located at <https://www.usaspending.gov>.

The following sections briefly describe the data submission requirements under the DATA Act implementing guidance from the OMB, Treasury, and the IG guide.

### DATA STANDARDS, SCHEMA, AND SUBMISSION

The DATA Act requires OMB and Treasury to:

- Establish Government-wide financial data standards for any Federal funds made available to or expended by Federal agencies and entities receiving Federal funds
- Include common data elements for financial and payment information to be reported

The DATA Act Information Model Schema V.1.3 (DAIMS, Schema), dated June 29, 2018, guides agencies in the production and submission of the required data. Appendix III lists the 57 data standards. Federal agencies are required to submit their financial data to the Treasury using the DATA Act Broker<sup>3</sup> (broker) software. The broker also pulls procurement and financial assistance award and sub-award information from government-wide systems, as agencies are already required to submit such data. Those systems are:

- *Federal Procurement Data System - Next Generation (FPDS-NG)* – Repository for Federal procurement award data operated by the General Services Administration
- *Financial Assistance Broker Submission (FABS)* – Repository for financial assistance transactions on awards of more than \$25,000 operated by Treasury
- *Federal Funding Accountability and Transparency Act Sub-award Reporting System (FSRS)* – Reporting tool prime awardees use to capture and report sub-award and executive compensation data operated by the General Services Administration
- *Federal Acquisition Regulations (FAR)* – Primary regulation for use by all Federal Executive agencies in their acquisition of supplies and services with appropriated funds.
- *System for Award Management (SAM)* – System that collects registration information from entities doing business with the Federal government.

### REPORTING SUBMISSION SPECIFICATION AND THE INTERFACE DEFINITION DOCUMENT

The DATA Act schema includes two documents that contain specifications for reporting required data — the Reporting Submission Specification (RSS) and the Interface Definition Document (IDD).

The RSS provides details on data to be submitted to the broker from an agency's financial system as required by the DATA Act and OMB Circular M-15-12<sup>4</sup>. This includes appropriations account,

---

<sup>3</sup> The broker is a virtual data layer developed by the U.S. Department of Treasury that maps, ingests, transforms, validates, and submits agency data into a format consistent with the DATA Act Schema (i.e., data exchange standards).

<sup>4</sup> OMB memorandum M-15-12, Increasing Transparency of Federal Spending by Making Federal Spending DATA Quality for USASpending.gov.

object class, program activity, and award financial data. Federal agencies must generate and submit three files to the broker:

- File A – “*Appropriations Account Detail*” – Contains appropriation summary level data that are aligned with OMB Standard Form 133, “Report on Budget Execution and Budgetary Resources” (SF-133) reporting.
- File B – “*Object Class and Program Activity Detail*” – Includes obligation and outlay information at the program activity and object class level.
- File C – “*Award Financial Detail*” – Reports the obligation and outlay information at the award level.

The IDD provides detail on data that will be extracted by the broker from other government-wide systems pertaining to procurement and financial assistance data, recipient attributes, and sub-award information. The following four files are generated by this process:

- File D1 – *Award and Awardee Attributes for Procurement (from FPDS-NG)* – Award and awardee details are to be linked to File C;
- File D2 – *Award and Awardee Attributes for Financial Assistance (i.e., direct loans, loan guarantees, grants, etc.) (from Financial Assistance Broker Submission)* – Award and awardee details are to be linked to File C;
- File E – *Additional Awardee Attributes (from SAM)* – Includes additional prime awardee attributes; and
- File F – *Sub-award Attributes (from Federal Funding Accountability and Transparency Act Sub-award Reporting System)* – Includes sub-award information.

### **CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act (IG GUIDE)**

The IG Guide requires auditors to perform procedures in the following areas:

- ***Internal and information system control over agency source systems*** – Auditors are to determine the extent to which agency systems can be relied on as authoritative sources for the information reported in accordance with the DATA Act.
- ***Internal control over DATA Act submission*** – Auditors are to assess the effectiveness of the internal controls implemented to reasonably assure that the data submitted are complete, accurate, timely, and quality.
- ***Detail testing of FY 2019 first-quarter data submitted to the broker:*** Auditors are to test an agency’s submission to the DATA broker, which is used to populate USASpending.gov, for FY 2019 first-quarter data as follows:
  - *Summary level financial data* – auditors are to test the reliability of summarized financial data contained in Files A and B;
  - *Award-level linkages* – auditors are to test whether individual award data can be linked for Files C through D1 and D2; and
  - *Award-level transaction data* – auditors are to test a statistically valid sample of awards to determine the completeness, accuracy, timeliness, and overall quality of the data submitted, including the use of the required data standards.



See Appendix I, Scope and Methodology, for a description of how we implemented the IG Guide.

## **PRIOR REVIEWS**

In our prior *Performance Audit of the Corporation for National and Community Service's Compliance under the Digital Accountability and Transparency Act of 2014 (OIG Report 18-05) issued November 8, 2017*, we noted internal control issues regarding (a) incomplete mapping to the source systems for the 57 required data elements; (b) the reconciliation of data files; (c) duplicate records in File D2; (d) improper reporting of object class and program activity levels; and (e) no quarterly assurance statement from the Senior Accountable Official (SAO).<sup>5</sup> There were also system limitations identified resulting in CNCS not meeting OMB reporting requirements in reporting direct and reimbursable transactions.

## **OVERALL AUDIT RESULTS**

CNCS was not fully in compliance with the DATA Act requirements for completeness, accuracy, and timeliness pertaining to the DATA Act submission and data elements. The submission was timely filed within 45 days of quarter end as required, but not complete as it relates to appropriation account detail data (File A) and grant award detail data (File D2). CNCS did not submit complete and accurate financial and award data for the FY 2019 first quarter; and its records contained errors regarding completeness, accuracy, and timeliness for certain data elements.

Overall, CNCS's data quality was initially rated "Low" because 67 percent of the records, that had no obligation or outlay information, were improperly included in the submission. For testing purposes, we excluded those records, which, after the exclusion, resulted in data quality rating of "High". We also continued to observe internal control issues and errors that CNCS needs to address to improve the quality of its data. In addition, CNCS remains deficient in complying with the DATA Act requirements to report financial and award data in accordance with the established Government-wide financial data standards.

As CNCS begins its process to move its financial reporting and accounting to shared services, CNCS management should work with its shared service provider to implement the corrective action needed under the DATA Act requirements to ensure that CNCS is accountable for providing complete, accurate, and timely data.

### **Assessment of DATA Act Submission**

CNCS officials submitted the DATA Act submission to Treasury's DATA Act Broker timely, which was within 45 days of quarter end. It did not, however, record all transactions and events in the

---

<sup>5</sup> The SAO is a senior official in the agency with the ability to coordinate across multiple communities and Federal Lines of Business, in accordance with M-10-06, *Open Government Directive*.

period. As a result, CNCS's submission was inaccurate and incomplete. We found the following deficiencies in CNCS's DATA Act submission:

#### Inaccurate Financial Award Details (File C)

Sixty-seven percent (1,093 out of 1,613) of the records in financial award detail (File C) were related to zero-dollar records and improperly included in CNCS' File C submission. File C is used to report the obligation and outlay information at the award level. These records do not report any obligation or outlay information and should not have been included in the File C submission. As a result, 67 percent of File C is inaccurate. As a result, the submitted File C resulted in a "Low" data quality rating.<sup>6</sup> Due to the nature of these zero-dollar records, the overall impact to keep—rather than remove—the records from File C bear no financial impact. Therefore, once removed, our statistical sample testing projected an error rate of 1.31 percent for a quality data rating of "High".

#### Differences Between Appropriations Account Details (File A) and Program Details (File B)

CNCS's submission of File A (appropriations account details) was overstated by \$2,234,356 in comparison to File B (program details). CNCS management indicated that the difference was due to a Government-wide Treasury Account Symbol (GTAS)<sup>7</sup> top side adjustment<sup>8</sup> that was recorded incorrectly. Our analysis determined that the adjustment was related to direct and reimbursable funds differences. As reported in the prior year, Momentum<sup>9</sup> does not properly report transactions between direct and reimbursable funds (Repeat Finding). Management did not document the corrective action that needs to be taken to prevent it from occurring in the future.

CNCS provided the *CNCS DATA Act Business Process Guide* (dated April 1, 2019) to CLA as its procedural support for its DATA Act compliance process. Accordingly, CNCS validates the certified SF-133 "Report on Budget Execution and Budgetary Resources" against File A and File B. However, it did not clearly identify the organizations within CNCS responsible for addressing any validation error related to each specific data file. It also did not address how the responsible parties carry out the validation process nor how CNCS management holds them accountable. In regards to File A and File B, the validation was not properly performed and the overstatement was not corrected prior to submission.

#### Differences Between Award Details (File C) and Individual Procurement and Grant Award Details (Files D1 and D2)

---

<sup>6</sup> See Table 3: Data Quality Range which depicts the range of error associated with each data quality level.

<sup>7</sup> GTAS stands for the Government-wide Treasury Account Symbol Adjusted Trial Balance System, which is used by agencies to report budget execution information and proprietary financial reporting information to the Department of Treasury.

<sup>8</sup> The adjustment was to reverse an accrual and reclassify allotments in expired funds for quarter one in FY 2019.

<sup>9</sup> Momentum is CNCS's financial management system of record.

CNCS management could not provide support for a \$279,288 difference between award financial details (File C) and individual procurement and grant award files (Files D1 and D2) obtained from the DATA Broker. CNCS indicated the \$279,388 difference was due to a contract modification submitted twice into the Federal Procurement Data System – Next Generation (FPDS-NG). CNCS management identified the \$279,388 difference in File D1, but could not determine the cause of the variance nor the needed corrective action (Repeat Finding).

In addition, due to the cancellation of funding, the grant award file (File D2) contained \$2,314,640 de-obligations that did not actually occur within Momentum in quarter one but occurred in prior years as part of the mass de-obligation process. As a result, File D2 obligations were understated by \$2,314,640. CNCS management was aware of this difference but had not taken any action to address this ongoing reporting error issue. The mass de-obligations of grants were not reported to the FABS when they occurred. Instead, the de-obligation of the grants was reported to FABS when the grants were financially and administratively closed out within eGrants.<sup>10</sup> This may occur in the next quarter, the following fiscal year, or even later.

Lastly, CNCS did not identify the remaining \$35,940 difference due to the agency’s failure to perform a complete reconciliation between File C and File D2. In this instance, a duplicate de-obligation was reported to FABS due to an administrative error from a failed attempt to delete the duplicative record (Repeat Finding).

**Table 1. Differences Between File C and File D1 and D2**

Source of Data	Procurement Obligations	Financial Assistance Obligations
File C Breakout from Validation Report	\$9,208,824	\$5,362,623
Files from DATA Broker (D1 & D2)	\$8,579,615	\$3,012,043
<b>Difference</b>	<b>\$629,209</b>	<b>\$2,350,580</b>
Interagency Agreements – Not reportable for D1 <sup>11</sup>	\$894,422	
CNCS did not report to FPDS-NG for File D1 <sup>12</sup>	\$14,175	
Duplicate Modification in File D1	\$(279,388)	
Canceled Funds De-obligations reflected in File D2 but not File C		\$2,314,640
Duplicated Grant De-obligation in File D2		\$35,940
<b>Total</b>	<b>\$629,209</b>	<b>\$2,350,580</b>

Similar to the File A and B validation process, the *CNCS DATA Act Business Process Guide* does not clearly identify the responsible offices for addressing the validation errors nor did it address how that validation process was carried out by those responsible parties.

<sup>10</sup> eGrants is CNCS’s grants management system.

<sup>11</sup> FPDS-NG does not require agencies to report interagency agreements.

<sup>12</sup> The Contracting Officer failed to report the transaction to FPDS-NG.

## Incorrect Program Activity Code and Program Activity Names in Program Details (File B)

In addition, File B incorrectly contained a default Program Activity Code of “000” and Program Activity Name of “Unknown/Other” in 25 out of 749 data records (3 percent). CNCS’s contractor inappropriately used a default code when in fact, there were obligations or outlays reported for the Treasury Account Symbol (TAS).<sup>13</sup> (See Table 2 for a breakdown of the 25 data records). Each data record contained two or more of the following obligation or outlay data elements as shown in the table below. As a result, the cost information is not being reported to the correct program (Repeat Finding).

**Table 2. Data Records with Incorrect Program Activity Code or Name Containing Obligations and Outlays**

# of Data Records	Data Element	Total Amount
19	Obligations Undelivered Orders Unpaid Total Fiscal Year Beginning (FYB)	\$(8,890,902)
21	Obligations Undelivered Orders Unpaid Total Current Period Ending (CPE)	\$(7,622,050)
12	Obligations Delivered Orders Unpaid Total FYB	\$(2,500,939)
12	Obligations Delivered Orders Unpaid Total CPE	\$(2,384,404)
12	Gross Outlays Amount By Program Code Object Class FYB	\$(333,383)
9	Gross Outlays Amount By Program Code Object Class CPE	\$(1,397,066)
2	Obligations Incurred By Program Object Class CPE	\$(11,679)

Source: Auditor’s Analysis

The *CNCS DATA Act Business Process Guide* does not address how CNCS verifies that the contractor has compiled the data files correctly from the required source systems.

## **Overall Assessment of Implementation and Use of Data Standards**

CNCS generally complied with the implementation and use of government-wide financial data standards. However, CNCS failed to identify the source for four data elements and the discrepancies in data elements.

### Source of Data Elements Not Identified

CNCS was unable to identify the source of the data within the procurement detail data (File D1) for the following data field elements:

- Action Type Code,

---

<sup>13</sup>TAS is an identification code assigned by Treasury, in collaboration with the OMB and the owner agency, to an individual appropriation, receipts, or other fund account.

- Action Type Description,
- Awarding Office Code, and
- Awarding Office Name.

For three data records in File C related to File D1, CNCS failed to identify the source for two data elements: the “ActionTypeCode” (Data element number 36(A)) and the “ActionTypeDescriptionTag” (Data element number 36(B)) in File D1. As a result, we could not verify the accuracy of the information to the source system or documentation.

For two data records in File C related to File D1, CNCS failed to identify the source for the “AwardingOfficeCode” (Data element number 49) or “AwardingOfficeName” (Data element number 48). As a result, we could not verify the accuracy of the information to the source system or documentation.

Discrepancies in the Data Elements

Overall, the quality of the data elements supporting CNCS’s data submission received a quality level of high for completeness, accuracy, and timeliness.<sup>14</sup> We used the highest of the three projected error rates<sup>15</sup> for completeness, accuracy, and timeliness to determine the data quality level in the range of error rates as displayed in the table below.

**Table 3. Data Quality Range**

Highest Error Rate	Quality Level
0 - 20 Percent	High
21 – 40 Percent	Moderate
41 Percent and above	Low

Source: CIGIE Federal Audit Executive Committee Inspectors General Guide to Compliance under the DATA Act (February 14, 2019)

Although CNCS’s quality level of the data elements was high, we still noted some deficiencies in the completeness and accuracies of these data elements.

*Completeness of the Data Elements*

The projected error rate for the completeness of the data elements was 0.23 percent.<sup>16</sup> A data element was considered complete if the required data elements that should have been reported

<sup>14</sup> We selected a statistical sample of 45 records from File C excluding zero-dollar transactions. Our sample of 45 transactions covered 3 transactions that were related to File D1 and 42 related to File D2. Of the 57 required data elements, we tested 46 data elements related to files C and D1 and 45 data elements related to files C and D2 for completeness, accuracy, and timeliness.

<sup>15</sup> The error rate would be the midpoint of the projected error of the sample and not include the range of the projected error rates (i.e., +/- 5%).

<sup>16</sup> Based on a 95 percent confidence level, the projected error rate for the completeness of the data elements was between 5.23 percent and 0 percent.

were reported. However, four data records in File C related to File D2 were missing the “UltimateParentLegalEntityName” (Data element number 4), even though the grantee provided an “UltimateParentUniqueIdentifier” (Data element number 3). The UltimateParentLegalEntityName was derived by FABS based on the Awardee/Recipient Unique Identifier and information from SAM.gov. In this case, the grantee provided a DUNS number for the Ultimate Parent Unique Identifier that was not registered in SAM. As a result, FABS could not derive the Ultimate Parent Entity Legal Name for four data records, which resulted in missing information. The Treasury’s DATA Act Broker extracts grant award details from FABS for File D2. The completeness errors were not attributable to CNCS as displayed in Table 4.

### *Accuracy of the Data Elements*

The projected error rate for the accuracy of the data elements was 1.31 percent.<sup>17</sup> A data element was considered accurate when amounts and other data relating to recorded transactions were recorded in accordance with the DAIMS RSS, IDD, and the online data dictionary, and agree with the authoritative source records. In addition to those data elements, four out of 42 data records in File C related to File D2 were overstated for the “Non-FederalFundingAmount” (Data element number 12) and the “TotalFundingAmount” (Data element number 13) by \$504,916.<sup>18</sup>

The total “Non-FederalFundingAmount” was based on the budget for the full Federal funding amount in the grant application for each sample. However, the Notice of Grant Award (NGA) for that quarter provided incremental funding and indicated that the budget was incorrect. The NGA provided a different budget match percentage, which resulted in a lower “Non-FederalFundingAmount” at the time of obligation. This lower “Non-FederalFundingAmount” would also result in a lower TotalFundingAmount.

The completeness errors that were not attributable to CNCS also resulted in accuracy errors as displayed in Table 4 for errors in data elements not attributable to CNCS.

### *Timeliness of the Data Elements*

The projected error rate for timeliness of the data elements was 0.23 percent, based on the reporting schedules defined by the procurement and financial assistance requirements (Federal Funding Accountability and Transparency Act (FATA), FAR, FPDS-NG, FABS, and DAIMS).<sup>19</sup> The

---

<sup>17</sup> Based on a 95 percent confidence level, the projected error rate for the accuracy of the data elements was between 6.31 percent and 0 percent.

<sup>18</sup> See Appendix 4 – Non-statistical Testing Results, the Analysis of the Accuracy of Dollar-Value Related Elements for cost difference.

<sup>19</sup> Based on a 95 percent confidence level, the projected error rate for the timeliness of the data elements was between 5.23 percent and 0 percent.

completeness errors that were not attributable to CNCS also resulted in timeliness errors. See Table 4 for errors in data elements not attributable to CNCS.

**Table 4. Errors in Data Elements Not Attributable to CNCS**

PIID/FAIN	Data Element	Attributed to
FAIN	DE 4 Ultimate Parent Entity Legal Name	Treasury’s DATA Act Broker Extracting from FABS

Source: Auditor’s Analysis

**Internal Controls Deficiencies:**

These errors in the data elements occurred due to deficiencies in the following internal control areas:

1. Internal Controls over Data Management and Processes
2. Internal Controls over DATA Act Submission and Processes
3. Internal and Information Systems Controls over Source Systems
4. Unimplemented Prior Year Audit Recommendations

**Section 1: Internal Controls over Data Management and Processes**

**A. CNCS Did Not Have a Required Data Quality Plan**

CNCS did not have a required Data Quality Plan (DQP) in place.<sup>20</sup> Without a DQP, there is a risk that the SAO may not be properly informed of the significant data risk areas that could adversely impact the quality of CNCS’ data. In addition, the DQP provides a status of the corrective actions taken to address recurring DATA Broker warnings and reconciling differences. As a result, the SAO could not consider the DQP as support for providing the quarterly certification of the data.<sup>21</sup> The *CNCS DATA Act Business Guide* does not address the DQP requirement. CNCS management indicated that it was aware of the DQP requirement, but did not have the resources available to develop the DQP in time for quarter one data submission for FY 2019. CNCS provided a draft of its DQP to the auditors on October 3, 2019, but it was neither finalized nor implemented.

**B. Lack of Documentation of Senior Accountable Official’s Involvement with the Data Act Submission**

<sup>20</sup> OMB M-18-16, effective June 6, 2018, Appendix A to OMB Circular No. A-123, *Management of Reporting and Data Integrity Risk*, requires DATA Act reporting agencies to implement a DQP effective fiscal year 2019 through fiscal year 2021 at a minimum.

<sup>21</sup> OMB M-18-16, effective June 6, 2018, Appendix A to OMB Circular No. A-123, *Management of Reporting and Data Integrity Risk*, New Requirement for Data Quality Plan.

CNCS did not provide any related documentation to evidence the basis of the SAO's certification over CNCS's quarter one data filing. On a quarterly basis, agency SAOs must provide reasonable assurance that their internal controls support the reliability and validity of the agency account-level and award-level data they submit to Treasury for publication on USASpending.gov. Since a DATA Act submission contains a combination of many data sets, the SAO is required to attest to the validity and reliability of the complete DATA Act submission, including the interconnectivity across all the data files. Where there are legitimate differences between files, the SAO should have categorical explanations for misalignments. To provide this assurance, agencies should have internal controls in place over all the data reported for display on USASpending.gov. The SAO certifies the CNCS's data for the DATA Act quarterly through the Treasury's DATA Act Broker.

According to the *CNCS DATA Act Business Process Guide*, the DATA Act Project Management Officer (PMO) submits the data to the DATA Broker, goes through the validation process, and holds a meeting with the SAO to discuss the DATA Broker warning errors. CNCS management then takes the result of the Structured Query Language's (SQL) File C to File D1 and File D2 reconciliation and forwards it to the Office of Procurement (OPS) and Office of Grants Management (OGM) to research the warnings from the DATA Broker for discrepancies in Files D1 and D2, respectively, to determine the causes for the warnings. However, under this process, no one is researching the root cause of the warnings nor is the root cause fixed.

CNCS management stated that the changes to address root causes of issues were made as appropriate and tracked as part of the agency's corrective actions plan and that there were some root causes that CNCS monitors but cannot correct. Based on our review of the corrective action plan, CNCS did not correct any errors, nor did it identify any errors that could not be corrected. Thus, the errors must remain unreconciled items. Although CNCS indicated that for two specific warnings, CNCS may modify the SQL generating the File C to resolve them, there was no indication that this was done. For the other warnings, CNCS management only indicated its intent to follow-up on those issues.

According to CNCS, the PMO informed the SAO that the warnings were not significant because they were not validation errors which would have prevented the certification of the data files. However, OMB requires the SAO to have categorical explanations for misalignments when there are legitimate differences between the files.<sup>22</sup> The SAO's involvement in taking corrective action to address the warning errors was not documented. The *CNCS DATA Act Business Process Guide* does not address a process for the SAO to document the basis for the certification after ensuring that all data risks are considered and differences have been resolved. In addition, the *CNCS DATA Act Business Process Guide* does not clearly identify the offices within CNCS responsible for addressing and resolving the DATA Broker warnings or errors related to each data file. It also did not address how those offices

---

<sup>22</sup> OMB Memorandum M-17-04 (November 4, 2016), *Additional Guidance for DATA Act Implementation: Further Requirements for Reporting And Assuring Data Reliability*, 3. Quarterly SAO Assurance over DATA Act Data.



should resolve the warnings or errors, or how CNCS management would hold them accountable for doing it.

Documenting the basis for the SAO certification, which includes addressing all discrepancies between the files, is a key internal control to support the SAO's assurance statement and ensure the completeness and accuracy of CNCS's DATA Act submission. CNCS management indicated that the SAO did not produce a DATA Act assurance statement. However, a DATA Act assurance statement was being developed for future use (Repeat Finding).

### **C. Mapping of the 57 Data Elements was Incomplete:**

CNCS indicated that it mapped the location (*e.g.*, CNCS source systems, FABS, FPDS-NG or SAM) from which the 57 required data elements<sup>23</sup> were derived in order to ensure CNCS was reporting financial data in accordance with the standards. However, the mapping lacked a process narrative describing the agency's specific mapping procedures. The agency failed to provide any mapping for File C, and although CNCS provided mapping for the elements in the D1 File, we determined the mapping was incomplete due to the following:

- The mapping did not specifically address where the data element was found within the source system;
- The mapping only indicated that the data element was derived as a result of a hardcode in the SQL.<sup>24</sup> It did not indicate how the hardcode derived the data element. For example, for "Primary Place of Performance Country Code", the SQL was hardcoded to automatically enter the USA for each transaction because CNCS does not provide grants to foreign countries; and
- The mapping provided no explanation for the unaddressed data elements.

Regarding File D2, CNCS management did not provide any mapping. CNCS provided data element definitions for File D2 and noted whether or not each element was in Momentum Acquisition, but did not indicate the location within Momentum Acquisition. However, the documentation provided no explanation for the unaddressed data fields.

CNCS management relied on a SQL report that was developed by a contractor to pull the information necessary for the data submissions. CNCS PMO failed to review the SQL to ensure it mapped all the 57 data elements. CNCS PMO relied on institutional knowledge from staff to identify the source system for each data element. But, due to the turnover of CNCS staff, management lacked resources to independently verify that the SQL was obtaining the data elements correctly from the source systems (Repeat Finding).

OMB requires agencies to be responsible for establishing and maintaining internal control to

---

<sup>23</sup> See Appendix II.

<sup>24</sup> Hardcode is a part of a computer program that cannot be altered in any way except by changing the source code of the program itself.

achieve specific internal control objectives related to operations, reporting and compliance.<sup>25</sup> The recording of transactions based on adequate source documents and reconciliation of the system of data entry to the system of record are key control activities within an agency's internal control environment that helps management to achieve that responsibility. The General Accountability Office (GAO) developed *Standards for Internal Control in the Federal Government*, which describes control activities over information processing such as controlling access to data, files, and programs. It also indicates that management should design control activities so that all transactions are completely and accurately recorded.<sup>26</sup>

The *CNCS DATA Act Business Process Guide* does not address how CNCS mapped the 57 required data elements and determined how those data elements were obtained from within the CNCS's source systems, where applicable. This is critical information and must be maintained for reference and verification purposes.

## Section 2: Internal Controls over Data Act Submission and Processes

### A. *Changes in the SQL Used to Compile the Submission of the DATA Act Files were Not Tracked*

CNCS management relied on its third-party consulting firm (firm) to pull files for the data submission. The firm created the SQL used to generate Files C, D1, and D2 for CNCS's for the DATA Act quarterly submission. The firm's personnel responsible for maintaining the SQL for CNCS left the firm, and the firm's newly assigned personnel failed to perform a review of the SQL prior to the quarter one submission. The firm indicated the Data Broker errors were related to records in File B, which all had zero-dollar amounts. These errors were due to transactions that were not valid and had been entered into Momentum in error. The firm subsequently updated the SQL for File B to exclude invalid records, which were in Main Accounts 6201 and 6276. CNCS DATA Act PMO did not establish and maintain change control over the SQL to ensure that only authorized changes were made to the SQL. The *CNCS DATA Act Process Guide* also did not address the SQL or controls. As a result, CNCS did not know the reasons behind the changes nor why the transaction was invalid.

OMB requires agencies to be responsible for establishing and maintaining internal control to achieve specific internal control objectives related to operations, reporting and compliance.<sup>27</sup> GAO's *Standards for Internal Controls in the Federal Government* indicate that control activities over information processing should control access to data, files, and programs.<sup>28</sup>

---

<sup>25</sup> OMB Circular No. A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control* (July 15, 2016), Policy.

<sup>26</sup> GAO-14-704G, *Standards for Internal Control in the Federal Government* (September 2014), Principle 10 – Design Control Activities, Design of Appropriate Types of Control Activities, 10.03.

<sup>27</sup> OMB Circular No. A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control* (July 15, 2016), Policy.

<sup>28</sup> GAO-14-704G, *Standards for Internal Control in the Federal Government* (September 2014), Principle 10 – Design Control Activities, Design of Appropriate Types of Control Activities, 10.03.

Implementing monitoring controls over the changes made to the SQL establishes oversight over the service provider. This is a key internal control needed to prevent and/or detect errors in the SQL.

CNCS management did not have adequate controls over the SQL used to compile the submitted Data Act files such as:

- Verifying quarterly that the SQL is pulling the required data elements correctly from the source systems, and
- Establishing a change control process so that only authorized and documented changes are made to the SQL.

There is a significant risk that the SQL could be altered without approval and that the SQL may not be compiling the correct information required for the DATA Act submission.

**B. Differences Between Submission Files**

As indicated previously, the following differences were noted between Files A and B and Files C, D1, D2 in Table 4.

**Table 4. Total Differences**

<b>Files</b>	<b>Differences</b>	<b>Cause</b>
A & B	File A was overstated by \$2,234,356	Incorrect GTAS top side adjustment
C & D1	File D1 was overstated by \$279,388	Duplicate entry of modification reported to FPDS-NG
C & D2	File D2 was understated by \$2,314,640	De-obligations reported incorrectly to FABS
C & D2	File D2 was understated by \$35,940	Duplicate entry of de-obligation reported to FABS

The *CNCS DATA Act Business Process Guide* did not clearly identify the responsible parties within CNCS for conducting the validation or reconciliation of each data file, how it will be conducted, and how CNCS management would hold them accountable for resolving the validation or reconciliation differences in the submission files. Management should design control activities so that all transactions are completely and accurately recorded.<sup>29</sup>

**Section 3: Internal and Information System Controls over Source Systems**

**A. CNCS Reported Incorrect Program Activity Code and Program Activity Names in File B.**

CNCS’s consulting contractor incorrectly applied the default Program Activity Code of “000”

<sup>29</sup> GAO-14-704G, *Standards for Internal Control in the Federal Government* (September 2014), Principle 10 – Design Control Activities, Design of Appropriate Types of Control Activities 10.03, *Accurate and timely recording of transactions*.

and Program Activity Name of “Unknown/Other” to 25 data records in File B. CNCS did not properly oversee the work performed by its contractor, who used a faulty SQL to compile the data files for the DATA Act submission. The contractor utilized a SQL that contained a Program Activity Mapping data table when Momentum did not have the Program Activity Code or Program Activity Name for a transaction. The SQL assigned a program code and name based on the information in the Main Account, Allotment, and Purpose Code data fields. However, the SQL did not account for obligations or outlays when it assigned the “000” Program Activity Code and “Unknown/Other” Program Activity Name. As a result, the cost information is not being reported to the correct program (Repeat Finding).

The *CNCS DATA Act Business Process Guide* did not address how CNCS verifies whether the contractor compiled the data files correctly from the required source systems.

## Section 4: Unimplemented Recommendations

As part of our internal control procedures, we noted that eight out of nine recommendations from the prior audit<sup>30</sup> remained open as of February 13, 2019. OMB requires prompt resolution and corrective actions on audit recommendations within six months after the issuance of a final audit report.<sup>31</sup> CNCS management indicated that the action on the remaining recommendations would not be completed until March 31, 2019. Therefore, the CNCS-OIG kept those recommendations open. CNCS management requested an extension to April 30, 2019, due to the government shutdown affecting agencies’ ability to process their data. Although CNCS’s Notice of Final Action<sup>32</sup> stated the remaining eight recommendations (1-7 and 9) were completed and should be closed, the audit identified that the actions taken were insufficient to close those recommendations. See Appendix III for the status of those recommendations. Moreover, CNCS’s delay in addressing these audit recommendations increased the agency’s risk to submit inaccurate financial data. Therefore, these recommendations will remain open.

## RECOMMENDATIONS

We recommend CNCS management<sup>33</sup>:

1. Complete and finalize its Data Quality Plan. (Repeat)
2. Revise the *CNCS DATA Act Business Process Guide* to:
  - a. Develop, implement, and maintain a CNCS Data Quality Plan (New);
  - b. Include a control process for documenting the basis for the Senior Accountable Official’s certification, which includes addressing all differences between the files

---

<sup>30</sup> *OIG Report 18-05: Performance Audit of the Corporation for National and Community Service’s Compliance under the Digital Accountability and Transparency Act of 2014.*

<sup>31</sup> OMB Circular No. A-50 Revised, *Audit Follow-up* (September 29, 1982), 8.b.(2).

<sup>32</sup> Notice of Final Action was issued April 30, 2019.

<sup>33</sup> Repeat and modified repeat recommendations will be identified to the recommendations from the *OIG Report 18-05: Performance Audit of the Corporation for National and Community Service’s Compliance under the Digital Accountability and Transparency Act of 2014.*

- (New);
- c. Implement a control process to complete and document the data inventory, data mapping, and establishing data validation controls for the required DATA Act Schema and supporting data elements (Modified Repeat, Recommendations 6 & 7);
  - d. Clearly identify the parties responsible for each data file and to indicate how the responsible parties will (Modified Repeat, Recommendations 4, 5 and 7):
    - Research and resolve validation or reconciling errors between data files prior to submission;
    - Research and resolve DATA Broker errors and warnings before submitting the DATA Act files;
    - Document the corrective actions taken to resolve all identified errors and warnings, and
    - Develop and document corrective action plans for any unresolved error or warning detailing the reasons for the unimplemented correction and monitor such corrective actions to completion.
  - e. Develop, document, and implement a process to ensure that de-obligations of grants with canceled funds are reported to FABS when they occur and not when they are administratively closed out (Modified Repeat, Recommendation 9).
  - f. Establish and implement internal controls procedures to (New):
    - Verify quarterly that the SQL is compiling the data correctly for the data submission, and
    - Establish change controls over the SQL to ensure that only necessary and authorized changes are made to the SQL.
3. Work with its third-party consulting contractor to update transaction processing in Momentum to ensure that Program Activity Name and Program Activity Code are properly captured at the transactional level (Repeat, Recommendation 1).
  4. Establish a written process that includes validating the required Program Activity Name and Program Activity Code data fields reported in File B against the source system prior to its submission to the DATA broker (Modified Repeat, Recommendation 2 & 3).
  5. Instruct grant management personnel to provide an appropriate award description for all awards in the Executive Summary field in the grant application screen of eGrants. Monitor staff compliance with those instructions and take corrective action as needed (New).
  6. Review the SQL used to prepare the grant award details (D2 File) for submission and ensure that it pulls the Non-Federal Funding Amount based on the information in the Notice of Grant Award, which is the obligation award document. Such action should also ensure that the Total Funding Amount is correct (New).
  7. Coordinate with the point of contact for the new shared services provider to (New):
    - a. Ensure that the required 57 data elements, where applicable, are mapped and the source of the data elements are identified within the source systems, and
    - b. Establish controls over the compilation of the data files to prevent any unauthorized changes.

## **Summary of Management’s Comments**

Management concurred with the findings and recommendations, except for our finding that sixty-seven percent (1,093 out of 1,613) of financial award records were improperly included in their File C submission. CNCS noted that the initial data quality rating of “low” was based upon our interpretation of non-authoritative guidance on transactions that auditors expect to find in File C. CNCS also noted that other DATA Act guidance states that agencies may over-include data in File C, and that such over-inclusions do not render the data invalid. Thus, CNCS does not concur that the inclusion of zero-dollar transactions in File C was improper. Nonetheless, CNCS agreed that it is a best practice to conform to the expectation that File C contains only transactions that record or adjust obligations levels. See Appendix VI for Management’s Comments in its entirety.

## **Evaluation of Management’s Comments**

Management’s assertion—that our interpretation of what should be included in the File C submission was based on non-authoritative guidance—is incorrect. We followed the audit methodology prescribed in the “CIGIE FAEC Inspector General Guide to Compliance under the DATA Act,” February 14, 2019, which presents a common methodological and reporting approach for the Inspector General community to perform DATA Act audits based on OMB and Treasury requirements.

The U.S. Treasury Department (DAIMS Practices and Procedures For DATA Act Broker Submissions (Version 1.3) 1.3.4 TransactionObligatedAmount) requires File C details to include all awards with “TransactionObligatedAmounts” that occurred during the quarter, so that the financial information can be compared to procurement and grant awards data in details. Furthermore, management conceded that File C transactions should only contain transactions that record or adjust obligation levels (not zero-dollar transactions). CNCS management concurred with the rest of the findings and all of the recommendations.

## **APPENDIX I – SCOPE AND METHODOLOGY**

### **Scope**

The CNCS-OIG contracted with CLA to perform an audit on CNCS' compliance under the DATA Act, Public Law 113-101. The scope of this performance audit was the FY 2019, first-quarter financial and award data CNCS submitted for publication on USASpending.gov and any applicable procedures, certifications, documentation, and controls to achieve this process. We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards (GAGAS). 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 objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

We conducted our work at the CNCS' offices located in Washington, D.C. CNCS' management is responsible for the implementation of the DATA Act.

### **Data Act Anomaly**

The CIGIE identified a timing anomaly with the oversight requirements contained in the DATA Act of 2014. That is, the first IG reports were due to Congress on November 2016; however, Federal agencies were not required to report spending data until May 2017. To address this reporting date anomaly, the IGs provided Congress with their first required reports by November 8, 2017, 1-year after the statutory due date, with two subsequent reports to be submitted following on a 2-year cycle. On December 22, 2015, CIGIE's chair issued a letter detailing the strategy for dealing with the IG reporting date anomaly and communicated the strategy to the Senate Committee on Homeland Security and Governmental Affairs and the House Committee on Oversight and Government Reform. A copy of CIGIE's DATA Act Anomaly Letter can be found in Appendix V. This report is in fulfillment of the OIG's responsibility to report to Congress by November 8, 2019.

### **Methodology**

We followed the audit methodology prescribed in the Inspector General Guide to Compliance under the DATA Act, February 14, 2019, issued by the FAEC DATA Act Working Group. A general summary of audit procedures consistent with the IG Guide include:

- Obtained an understanding of any regulatory criteria related to its agency's responsibilities to report financial and award data under the DATA Act;
- Reviewed its agency's data quality plan;
- Assessed the internal and information system controls in place as they relate to the extraction of data from the source systems and the reporting of data to Treasury's DATA Act Broker, in order to assess audit risk and design audit procedures;

- Reviewed and reconciled the fiscal year 2019, first-quarter summary-level data submitted by the agency for publication on USASpending.gov;
- Reviewed a statistically valid sample from the fiscal year 2019, first-quarter financial and award data submitted by the agency for publication on USASpending.gov;
- Assessed the completeness, accuracy, timeliness, and quality of the financial and award data sampled; and
- Assessed its agency's implementation and use of the 57 data elements/standards established by OMB and Treasury.

We randomly selected a statistically valid sample of 45 records from File C. The sample is based on a population size of 518 records, the confidence level of 95 percent, expected error rate set at 21.4 percent, and sample precision of +/-5 percent.

For the sample records, we reviewed source systems, if deemed reliable, to validate that reporting elements in CNCS' DATA Act submissions were complete, accurate, and submitted for the proper time period. We reviewed the information, residing at the source system, Momentum, and eGrants, and obtained additional supporting information from CNCS. We also reviewed the information published in US Government websites, SAM, FSRS, and FPDS. We brought issues we found to the attention of the CNCS management.



**APPENDIX II – FEDERAL SPENDING TRANSPARENCY DATA STANDARDS**  
**(57 standards)**

<b>Element Number</b>	<b>Data Element</b>	<b>Data Standards</b>
1	Appropriations Account	Account Level
2	Budget Authority Appropriated	Account Level
3	Object Class	Account Level
4	Obligation	Account Level
5	Other Budgetary Resources	Account Level
6	Outlay	Account Level
7	Program Activity	Account Level
8	Treasury Account Symbol (excluding sub-account)	Account Level
9	Unobligated Balance	Account Level
10	Action Date	Award Characteristic
11	Action Type	Award Characteristic
12	Award Description	Award Characteristic
13	Award Identification (ID) Number	Award Characteristic
14	Award Modification/Amendment Number	Award Characteristic
15	Award Type	Award Characteristic
16	Business Types	Award Characteristic
17	CFDA Number	Award Characteristic
18	CFDA Title	Award Characteristic
19	NAICs Code	Award Characteristic
20	NAICS Description	Award Characteristic
21	Ordering Period End Date	Award Characteristic
22	Parent Award Identification (ID) Number	Award Characteristic
23	Period of Performance Current End Date	Award Characteristic
24	Period of Performance Potential End Date	Award Characteristic
25	Period of Performance Start Date	Award Characteristic
26	Primary Place of Performance Address	Award Characteristic
27	Primary Place of Performance Congressional District	Award Characteristic
28	Primary Place of Performance Country Code	Award Characteristic
29	Primary Place of Performance Country Name	Award Characteristic
30	Record Type	Award Characteristic
31	Amount of Award	Award Amount
32	Current Total Value of Award	Award Amount
33	Federal Action Obligation	Award Amount
34	Non-Federal Funding Amount	Award Amount
35	Potential Total Value of Award	Award Amount

<b>Element Number</b>	<b>Data Element</b>	<b>Data Standards</b>
36	Awardee/Recipient Legal Entity Name	Awardee and Recipient
37	Awardee/Recipient Unique Identifier	Awardee and Recipient
38	Highly Compensated Officer Name	Awardee and Recipient
39	Highly Compensated officer Total Compensation	Awardee and Recipient
40	Legal Entity Address	Awardee and Recipient
41	Legal Entity Congressional District	Awardee and Recipient
42	Legal Entity Country Code	Awardee and Recipient
43	Legal Entity Country Name	Awardee and Recipient
44	Ultimate Parent Legal Entity Name	Awardee and Recipient
45	Ultimate Parent Unique Identifier	Awardee and Recipient
46	Awarding Agency Code	Awarding Entity
47	Awarding Agency Name	Awarding Entity
48	Awarding Office Code	Awarding Entity
49	Awarding Office Name	Awarding Entity
50	Awarding Sub Tier Agency Code	Awarding Entity
51	Awarding Sub Tier Agency Name	Awarding Entity
52	Funding Agency Code	Funding Entity
53	Funding Agency Name	Funding Entity
54	Funding Office Code	Funding Entity
55	Funding Office Name	Funding Entity
56	Funding Sub Tier Agency Code	Funding Entity
57	Funding Sub Tier Agency Name	Funding Entity

## APPENDIX III – STATUS OF FY 2017 DATA ACT AUDIT RECOMMENDATIONS

As part of our validation follow-up to unimplemented recommendations, CNCS-OIG requests written notice of the completion of corrective actions, as well as documentary evidence of their implementation. We take the same approach whenever CNCS undertakes corrective actions that differ from our recommendations but effectively address our findings. We evaluate the submitted documentation and, if CNCS has corrected the deficiency, we close the recommendation.

Recommendation	Status Determined By CNCS	Auditor Position on Status Determined By CNCS
1. Ensure the detail level requirements for meeting the Data act will be captured when transactions occur. This can be done by working with CNCS’s shared service provider to update transaction processing in Momentum to ensure that current and upcoming DATA Act requirements (such as program activity name, program activity code, object class, etc.) are incorporated.	Closed	Remains Open Modified Repeat, refer to Key Findings Section 3.A. and Recommendation 3 in this Report.
2. Validate the required Program Activity Name, Program Activity Code, and Object Class fields reported in File B against the source system <u>prior</u> to its submission to the DATA Broker.	Closed	Remains Open Modified Repeat, refer to Key Findings Section 3.A. and Recommendation 4 in this Report.
3. Focus on reducing the number of Standard Vouchers (SV) used by fixing the root causes. SV’s should be limited to those related to accrual adjustments or one-time, unusual transactions only. However, in the event an SV is required the SVs recorded should contain data elements required for File B such a program activity name, program activity code, and object class.	Closed	Remains Open Our testing continues to see errors related to the program activity code and name. Follow-up is needed to determine the cause for those errors and to ensure that they are not related to SVs or JVs. The recommendation should remain open. Modified Repeat refers to Key Findings Section 3.A. and Recommendation 4 in

		this Report.
4. Validate SVs to address errors and invalid balances carried forward from prior years and correct the data for submission in File A and File B	Closed	Remains Open Modified Repeat, refers to Key Findings Section 2.B. and Recommendation 2d in this Report.
5. Research and resolve warnings identified by the DATA broker before the DATA Act files submission. Document the actions are taken to resolve the warnings so future errors can be avoided.	Closed	Remains Open Modified Repeat, refers to Key Findings Section 1.B. and Recommendation 2d in this Report.
6. Capture institutional knowledge and mitigate the effects of employee turnover by documenting CNCS’s DATA Act compliance processes and keeping them up to date. In addition, develop a succession plan to ensure that CNCS retains required expertise and capabilities even if personnel with highly technical and specialized knowledge leave or retire from the agency.	Closed	Remains Open Our testing found an incomplete mapping of the 57 required data elements and no Data Quality Control Plan. The recommendation should remain open. Modified Repeat, refers to Key Findings Section 1.C. and Recommendation 2c in this Report.
7. Develop policies and procedures that ensure: 1) the completion and documentation of data inventory, data mapping, and data validation for the required DATA Act Schema data elements, and 2) reconciliation between File A and File B; File B to File C; and File B to Files D1 and D2 are completed prior to data submission through the DATA broker.	Closed	Remains Open Modified Repeat, refers to Key Findings Section 1.C. and 2.B. and Recommendations 2c and 2d in this Report.
9. Ensure that accurate and complete data is presented to the general public by verifying the quality of the CNCS information residing in external systems like SAM2 and the FFATA3 Sub-Award Reporting System. CNCS should also reconcile the information reported in the CNCS source systems with these external sites.	Closed	Remains Open Modified Repeat, refers to Key Findings Section 2.B. and Recommendation 2e in this Report.

## APPENDIX IV - NON-STATISTICAL TESTING RESULTS

### *Data Element Analysis*

There were three record samples tested from file D1 (contracts) and 42 from file D2 (grants). The error rates were calculated by the number of errors divided by the number of sample records applicable to the data element. For example, Data Element No. 12 is related to only D2 records (grants). Given that there were four errors and 42 records tested, the error rate was 9.5 percent.<sup>34</sup>

### CNCS' results for the Data Elements

CNCS's results listed in <u>descending</u> order by accuracy error rate percentage.				
Accuracy (A), Completeness (C), Timeliness (T)		Error Rate <sup>35</sup>		
Data Element No.	Data Element Name	A	C	T
48	Awarding Office Name	33.3%	0.0%	0.0%
49	Awarding Office Code	33.3%	0.0%	0.0%
4	Ultimate Parent Legal Entity Name	12.9%	12.9%	12.9%
12	Non-Federal Funding Amount	9.5%	0.0%	0.0%
13	Amount of Award	9.5%	0.0%	0.0%
22	Award Description	8.9%	0.0%	0.0%
36	Action Type	6.7%	0.0%	0.0%
1	Awardee/Recipient Legal Entity Name	0.0%	0.0%	0.0%
2	Awardee/Recipient Unique Identifier	0.0%	0.0%	0.0%
3	Ultimate Parent Unique Identifier	0.0%	0.0%	0.0%
5	Legal Entity Address	0.0%	0.0%	0.0%
6	Legal Entity Congressional District	0.0%	0.0%	0.0%

<sup>34</sup> See page 14 of the report under Accuracy of the Data Elements.

<sup>35</sup> All estimates from the sample have a margin of error no greater than plus or minus 5 percentage points.

CNCS's results listed in <u>descending</u> order by accuracy error rate percentage.				
Accuracy (A), Completeness (C), Timeliness (T)		Error Rate <sup>35</sup>		
Data Element No.	Data Element Name	A	C	T
7	Legal Entity Country Code	0.0%	0.0%	0.0%
8	Legal Entity Country Name	0.0%	0.0%	0.0%
11	Federal Action Obligation	0.0%	0.0%	0.0%
14	Current Total Value of Award	0.0%	0.0%	0.0%
15	Potential Total Value of Award	0.0%	0.0%	0.0%
16	Award Type	0.0%	0.0%	0.0%
17	NAICS Code	0.0%	0.0%	0.0%
18	NAICS Description	0.0%	0.0%	0.0%
19	Catalog of Federal Domestic Assistance (CFDA) Number	0.0%	0.0%	0.0%
20	Catalog of Federal Domestic Assistance (CFDA) Title	0.0%	0.0%	0.0%
23	Award Modification / Amendment Number	0.0%	0.0%	0.0%
24	Parent Award ID Number	0.0%	0.0%	0.0%
25	Action Date	0.0%	0.0%	0.0%
26	Period of Performance Start Date	0.0%	0.0%	0.0%
27	Period of Performance Current End Date	0.0%	0.0%	0.0%
28	Period of Performance Potential End Date	0.0%	0.0%	0.0%
29	Ordering Period End Date	0.0%	0.0%	0.0%
30	Primary Place of Performance Address	0.0%	0.0%	0.0%
31	Primary Place of Performance Congressional District	0.0%	0.0%	0.0%
32	Primary Place of Performance Country Code	0.0%	0.0%	0.0%

CNCS's results listed in <u>descending</u> order by accuracy error rate percentage.				
Accuracy (A), Completeness (C), Timeliness (T)		Error Rate <sup>35</sup>		
Data Element No.	Data Element Name	A	C	T
33	Primary Place of Performance Country Name	0.0%	0.0%	0.0%
34	Award ID Number (PIID/FAIN)	0.0%	0.0%	0.0%
35	Record Type	0.0%	0.0%	0.0%
37	Business Types	0.0%	0.0%	0.0%
38	Funding Agency Name	0.0%	0.0%	0.0%
39	Funding Agency Code	0.0%	0.0%	0.0%
40	Funding Sub Tier Agency Name	0.0%	0.0%	0.0%
41	Funding Sub Tier Agency Code	0.0%	0.0%	0.0%
42	Funding Office Name	0.0%	0.0%	0.0%
43	Funding Office Code	0.0%	0.0%	0.0%
44	Awarding Agency Name	0.0%	0.0%	0.0%
45	Awarding Agency Code	0.0%	0.0%	0.0%
46	Awarding Sub Tier Agency Name	0.0%	0.0%	0.0%
47	Awarding Sub Tier Agency Code	0.0%	0.0%	0.0%
50	Object Class	0.0%	0.0%	0.0%
51	Appropriations Account	0.0%	0.0%	0.0%
53	Obligation	0.0%	0.0%	0.0%
56	Program Activity	0.0%	0.0%	0.0%
9	Highly Compensated Officer Name	N/A	N/A	N/A
10	Highly Compensated Officer Total Compensation	N/A	N/A	N/A

CNCS's results listed in <u>descending</u> order by accuracy error rate percentage.				
Accuracy (A), Completeness (C), Timeliness (T)		Error Rate <sup>35</sup>		
Data Element No.	Data Element Name	A	C	T
21	Treasury Account Symbol (excluding Sub-Account)	N/A	N/A	N/A
52	Budget Authority Appropriated	N/A	N/A	N/A
54	Unobligated Balance	N/A	N/A	N/A
55	Other Budgetary Resources	N/A	N/A	N/A

***Analysis of the Accuracy of Dollar-Valued Related Elements***

Our analysis of the test results of the accuracy of dollar-value related data elements is presented in the following table. The absolute value of the errors reported is not projectable because the statistical sample test was performed on attributes and not on monetary amounts.

Accuracy of Dollar-Value Related Elements							
PIID/ FAIN	Data Element	Accurate	Not Accurate	Not Applicable	Total Tested	Error Rate	Absolute Value of Errors
PIID	DE 11 Federal Action Obligation	3	0	0	3	0%	\$ -
PIID	DE 14 Current Total Value Of Award	3	0	0	3	0%	\$ -
PIID	DE 15 Potential Total Value Of Award	3	0	0	3	0%	\$ -
PIID	DE 53 Obligation	3	0	0	3	0%	\$ -
FAIN	DE 11 Federal Action Obligation	42	0	0	42	0%	\$ -
FAIN	DE 12 Non-Federal Funding Amount	38	4	0	42	10%	\$ 504,916
FAIN	DE 13 Amount Of Award	38	4	0	42	10%	\$ 504,916
FAIN	DE 14 Current Total Value Of Award	0	0	42	42	0%	\$ -
FAIN	DE 53 Obligation	42	0	0	42	0%	\$ -
	<b>Total</b>	<b>172</b>	<b>8</b>	<b>42</b>	<b>222</b>		



## APPENDIX V – DATA ACT DATE ANOMALY LETTER



December 22, 2015

The Honorable Ron Johnson  
Chairman  
The Honorable Thomas Carper  
Ranking Member  
Committee on Homeland Security  
and Governmental Affairs  
United States Senate  
Washington, D.C.

The Honorable Jason Chaffetz  
Chairman  
The Honorable Elijah Cummings  
Ranking Member  
Committee on Oversight and Government Reform  
U.S. House of Representatives  
Washington, D.C.

Dear Mr. Chairmen and Ranking Members:

The Council of the Inspectors General on Integrity and Efficiency (CIGIE) recognizes and appreciates your leadership on issues of Government transparency and accountability. In particular, we believe the enactment last year of the Digital Accountability and Transparency Act of 2014 (DATA Act) will significantly improve the quality of Federal spending data available to Congress, the public, and the accountability community if properly implemented. To make sure this happens, the DATA Act provides for strong oversight by way of the Federal Inspectors General and the Government Accountability Office (GAO). In particular, the DATA Act requires a series of reports from each to include, among other things, an assessment of the completeness, timeliness, quality, and accuracy of data submitted by agencies under the DATA Act.

I am writing this letter on behalf of CIGIE to inform you of an important timing anomaly with the oversight requirement for Inspectors General in the DATA Act. Your staffs have been briefed on this timing anomaly, which affects the first Inspector General reports required by the DATA Act. Specifically, the first Inspector General reports are due to Congress in November 2016. However, the agencies we oversee are not required to submit spending data in compliance with the DATA Act until May 2017. As a result, Inspectors General would be unable to report on the spending data submitted under the Act, as this data will not exist until the following year. This anomaly would cause the body of reports submitted by the Inspectors General in November 2016 to be of minimal use to the public, the Congress, the Executive Branch, and others.

To address this reporting date anomaly, the Inspectors General plan to provide Congress with their first required reports in November 2017, a one-year delay from the due date in statute, with subsequent reports following on a two-year cycle, in November 2019 and November 2021. We believe that moving the due dates back one year will enable the Inspectors General to meet the

1717 H Street, NW, Suite 825, Washington, DC 20006

Page 2

intent of the oversight provisions in the DATA Act and provide useful reports for the public, the Congress, the Executive Branch, and others.

Although we think the best course of action is to delay the Inspector General reports, CIGIE is encouraging the Federal Inspector General Community to undertake DATA Act “readiness reviews” at their respective agencies well in advance of the first November 2017 report. Through a working group, CIGIE has developed guidance for these reviews. I am pleased to report that several Inspectors General have already begun reviews at their respective agencies, and many Inspectors General are planning to begin reviews in the near future. We believe that these reviews, which are in addition to the specific oversight requirements of the Act, will assist all parties in helping to ensure the success of the DATA Act implementation.

We have kept GAO officials informed about our plan to delay the first Inspector General reports for one year, which they are comfortable with, and our ongoing efforts to help ensure early engagement through Inspector General readiness reviews.

Should you or your staffs have any questions about our approach or other aspects of our collective DATA Act oversight activities, please do not hesitate to contact me at (202) 514-3435.

Sincerely,



Michael E. Horowitz  
Chair, Council of the Inspectors General on Integrity and Efficiency  
Inspector General, U.S. Department of Justice

cc: The Honorable David Mader, Controller, OMB  
The Honorable Gene Dodaro, Comptroller General, GAO

## APPENDIX VI – MANAGEMENT’S COMMENTS

# Corporation for National and Community Service

NationalService.gov



Date: November 7, 2019

To: Monique Colter, Assistant Inspector General for Audit

From: Robert McCarty, Chief Financial Officer

Re: Request for Comments on the Office of Inspector General’s (OIG) Draft Report: Performance Audit of the Corporation for National and Community Service’s Compliance under the Digital Accountability and Transparency Act of 2014 (DATA Act), FY 2019 Quarter 1 Submission

---

This memo responds to the OIG’s November 1, 2019 memo requesting comments on the subject draft report.

CNCS appreciates the auditor’s review and acknowledgement of CNCS’s progress toward DATA Act reporting compliance. Since the last DATA Act audit CNCS staff devoted countless hours to improving DATA Act reporting performance. That is evident in the auditor rating of “high” on the quality of CNCS’s data element completeness, accuracy, and timeliness.

CNCS notes the auditor gave an initial data quality rating of “low” that was based upon their interpretation of non-authoritative guidance on transactions that auditors expect to find in File C. CNCS notes that other DATA Act guidance states that agencies may over-include data in File C, and that such over-inclusions do not render the data invalid. Thus, CNCS does not concur that the inclusion of zero-dollar transactions in File C was improper. Nonetheless, CNCS agrees that it is a best practice to conform to the expectation that File C contains only transactions that record or adjust obligation levels.

CNCS recognizes that there is still room to improve. CNCS concurs with the recommendations to finalize the Data Quality Plan and review and improve the CNCS DATA Act Business Process Guide. Additionally, CNCS will take steps to gather and maintain process and decision-making documentation.

As CNCS continues its migration to shared service support with the Administrative Resource Center within Treasury’s Bureau of the Fiscal Service, the appropriate processes will be implemented with the goal of ensuring the public receives timely, complete, and accurate information.

250 E Street, SW  
Washington, D.C. 20525  
202-606-5000 | 800-942-2677 | NationalService.gov/contact-us



## **APPENDIX VII – REPORT DISTRIBUTION**

### **CNCS Distribution**

Office of Chief Executive Officer  
Office of Chief Finance Officer  
Office of General Counsel

### **Non-CNCS Distribution**

United States Senate Committee on Homeland Security and Governmental Affairs  
The Honorable Ron Johnson, Chairman  
The Honorable Gary C. Peters, Ranking Member  
340 Dirksen Senate Building  
Washington, DC, 20510  
202-224-4751

United States House Committee on Oversight and Government Reform  
The Honorable Carolyn B. Maloney, Acting Chairwoman  
The Honorable, Jim Jordan, Ranking Member  
2157 Rayburn House Office Building  
Washington, DC, 20515  
202-225-5051

United States Senate Committee on the Budget  
The Honorable Mike Enzi, Chairman  
The Honorable Bernie Sanders, Ranking Member  
624 Dirksen Senate Office Building  
Washington, DC 20510  
202-224-0642

United States House Committee on the Budget  
The Honorable John Yarmuth, Chairman  
The Honorable Steve Womack, Ranking Member  
204-E Cannon House Office Building  
Washington, D.C. 20515  
202-226-7200

GAO

Report electronically submitted to [DATAActImplementation@gao.gov](mailto:DATAActImplementation@gao.gov)

Treasury OIG

Report electronically submitted to [DATAAct@oig.treas.gov](mailto:DATAAct@oig.treas.gov)

OFFICE OF INSPECTOR GENERAL



CORPORATION FOR  
NATIONAL & COMMUNITY SERVICE



**CORPORATION FOR NATIONAL & COMMUNITY SERVICE**  
250 E ST SW, WASHINGTON, DC 20525  
202.606.5000 | [WWW.NATIONALSERVICE.GOV/](http://WWW.NATIONALSERVICE.GOV/)

**OFFICE OF INSPECTOR GENERAL**  
HOTLINE: 1.800.452.8210  
[HOTLINE@CNCISOIG.GOV](mailto:HOTLINE@CNCISOIG.GOV) | [WWW.CNCISOIG.GOV/](http://WWW.CNCISOIG.GOV/)