



Office of Inspector General

Office
202.692.2900
[Website](#)
[OIG Reports](#)

Hotline
202.692.2915 | 800.233.5874
[Online Contact Form](#)
OIG@peacecorpsoig.gov

To: Jody Olsen, Director
Richard Swartz, Chief Financial Officer
Anne Hughes, Chief Compliance Officer

From: Kathy A. Buller, Inspector General *Kathy A. Buller*

Date: November 7, 2019

Subject: Final Audit Report: The Peace Corps' Compliance with the Digital Accountability and Transparency Act (IG-20-01-A)

Transmitted for your information is our final report on the agency's compliance with the Digital Accountability and Transparency Act.

Management concurred with all four recommendations, which remain open. In its response, management described actions it is taking or intends to take to address the issues that prompted each of our recommendations. The recommendations will remain open pending confirmation from the chief compliance officer that the documentation identified in management's response has been received. We wish to note that in closing recommendations, we are not certifying that the agency has taken these actions or that we have reviewed their effect. Certifying compliance and verifying effectiveness are management's responsibilities.

You may address questions regarding follow-up or documentation to Assistant Inspector General for Audit Judy Leonhardt at 202.692.2914 or to Lead Auditor Rebecca Underhill at 202.692.2941.

Please accept our thanks for your cooperation and assistance in our review.

cc: Michelle Brooks, Chief of Staff
Matt McKinney, Deputy Chief of Staff/White House Liaison
Maura Fulton, Senior Advisor to the Director
Carl Sosebee, Senior Advisor to the Director
Robert Shanks, General Counsel
Andrew Pierce, Deputy Chief Financial Officer
Trina Scott, Director of Accounting, Accounting and Financial Reporting
Sonja Truehart-McKinney, Director, Acquisition and Contract Management
Angela Kissel, Compliance Officer



Peace Corps Office of

INSPECTOR GENERAL

Final Audit Report

The Peace Corps' Compliance
with the Digital Accountability
and Transparency Act

IG-20-01-A

November 2019

EXECUTIVE SUMMARY

The Digital Accountability and Transparency Act of 2014¹ (DATA Act) requires the Office of Inspector General (OIG) of each Federal agency to periodically review a sample of the spending data submitted to USASpending.gov by its Federal agency. The OIGs must submit a report to Congress that assesses the completeness, timeliness, accuracy, and quality of the data sampled and the implementation and use of the Government-wide financial data standards by the Federal agency.

OIG previously reported on the Peace Corps Fiscal Year (FY) 2017, Quarter 2 (Q2) DATA Act submission, finding that the agency's submission did not provide quality information.

OBJECTIVES

The objectives of this audit were to assess (1) the completeness, accuracy, timeliness, and quality of the FY 2019, Quarter 1 (Q1) financial and award data submitted for publication on USASpending.gov; and (2) implementation and use of the Government-wide financial data standards established by the Office of Management and Budget and the Department of the Treasury.

WHAT WE FOUND

While the Peace Corps' FY 2019, Q1 DATA Act submission was of high quality, the agency lacks a comprehensive data quality plan (DQP) outlining the risks and what mitigating controls it has in place to demonstrate that data submitted is of high quality. This is because the agency lacks a risk focused approach to managing its operations. Without a comprehensive quality control program, the Peace Corps risks not having appropriate and proper controls for all aspects of the financial and procurement data. Our report contains four recommendations to strengthen the agency's data quality.

¹ Public Law No. 113-101, 128 Stat. 1146.

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BACKGROUND

The Digital Accountability and Transparency Act of 2014² (DATA Act) requires Federal agencies to report financial and spending information to the public through USASpending.gov in accordance with Government-wide financial data standards developed and issued by the Office of Management and Budget (OMB) and the Department of the Treasury (Treasury).

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

PREVIOUS AUDIT

In November 2017, our office issued an audit report,³ as required by the DATA Act, which reviewed the agency's data submission for FY 2017, Q2, January 1, 2017 through March 31, 2017.

Our audit found that the Peace Corps lacked a quality control process for submitting its FY 2017, Q2 DATA Act submission. Without this process, the information submitted did not completely represent the Peace Corps' true population of procurement activity. Additionally, all of the sample contained inaccuracies and over half of the sample did not provide all of the elements required by the law. We concluded that the Peace Corps' FY 2017, Q2 DATA Act submission did not provide quality information.

We made four recommendations to the agency intended to improve internal control and business processes. See Appendix B for a listing of the previous recommendations.

CONTRACT AWARD PROCESS

The Peace Corps' Office of the Chief Financial Officer (OCFO) is responsible for the agency's overall budgetary, financial, and procurement activities. The Acquisition and Contract Management group (ACM) is responsible for awarding and administering contracts for the agency. ACM uses a system called PRISM to generate and manage all procurement activities. This system interfaces with the agency's larger financial system, Odyssey, to collect funding information and make payments to vendors.

PRISM also interfaces with other Federal government-wide systems to ensure consistent and accurate information is used. Specifically, PRISM gets contractor identifier information from the General Services Administration (GSA) owned System for Award Management (SAM). All companies are required to register with SAM in order to do business with the U.S. Government.

² Public Law No. 113-101, 128 Stat. 1146.

³ [Audit of the Peace Corps' Implementation of the Digital Accountability and Transparency Act, FY 2017](#)

Additionally, during the contract award process, ACM is responsible for submitting data on all procurements above the micro-purchase threshold of \$10,000 to the GSA owned Federal Procurement Data System – Next Generation (FPDS-NG). ACM uses PRISM to transmit this data to FPDS-NG.

THE PEACE CORPS' DATA ACT SUBMISSION PROCESS

OCFO's Accounting and Financial Reporting group (AFR) is responsible for the timely and accurate submission of financial statements and other financial reports to Treasury, OMB, and other Federal agencies. The director of AFR has been designated as the agency's senior accountable officer (SAO). The DATA Act requires the agency's SAO to submit and certify data to USASpending.gov using a Treasury developed system, the DATA Act Broker (the Broker).

Each quarter, the AFR Director generates three files (A, B, and C) from Odyssey to upload into the Broker. Files A and B are summary-level financial data about the agency's budgetary resources. File C includes award and record-level information for all awards, procurement, and financial assistance (e.g., grants and cooperative agreements) processed during the quarter.

Then, using the Broker, the AFR Director generates four files (D1, D2, E, and F) using data from Government-wide award reporting systems. Although the files are not populated using the agency's internal systems, agency SAOs must still provide assurance over the quality of the data. File D1 contains detailed information for record-level transactions related to procurement activity. File D2 contains detailed information for record-level transactions related to financial assistance. File D2 does not apply to the Peace Corps because the agency does not provide Federal financial assistance that meets the reporting requirements.

Both Files E and F are generated from data that the awardee has entered into the Government-wide award reporting systems and the quality of this data is the legal responsibility of the recipient. Agencies are not responsible for certifying the quality of this data. File E contains additional awardee attributes, and File F contains information on sub-award attributes.

After the seven files have been created, the Broker runs validation reports to show any misalignment of data between Files A, B, C, and D1. Finally, once the data has been uploaded, verified, and any misalignments reconciled, the Director of AFR certifies the agency's quarterly submission.

AUDIT OBJECTIVES

The objectives of this audit are to assess:

- (1) the completeness, accuracy, timeliness, and quality of the FY 2019, Q1 financial and award data submitted for publication on USASpending.gov; and
- (2) implementation and use of the Government-wide financial data standards established by the Office of Management and Budget and the Department of the Treasury.

See Appendix A for detailed information on the scope and methodology used.

AUDIT RESULTS

While the Peace Corps' DATA Act submission was of high quality, the agency lacks a comprehensive data quality plan (DQP) outlining the risks and what mitigating controls it has in place to demonstrate that data submitted is of high quality. This is because the agency lacks a risk focused approach to managing its operations. Without a comprehensive quality control program, the Peace Corps risks not having appropriate and proper controls for all aspects of the financial and procurement data.

IMPROVEMENTS TO DATA ACT SUBMISSION QUALITY

The Peace Corps has made great improvements in the quality of their DATA Act submission since our November 2017 audit.

Assessment of the Peace Corps' Submission

In the previous audit, we found that the Peace Corps' FY 17, Q2 DATA Act submission was not compliant. Specifically, the Peace Corps included year to-date activity instead of just Q2 activity and non-monetary transactions instead of just monetary activity (e.g., contract liquidations).

Since the 2017 audit, the agency has updated its software system, Odyssey, to align with the most current version of Treasury's guidance, DATA Act Information Model Schema (DAIMS) version 1.3, which helped to ensure that the quarterly submissions included only the correct information. Based on this change to Odyssey, recommendation 3 from the November 2017 audit is considered closed.

For our audit, we reviewed the Peace Corps' FY 19, Q1 DATA Act submission to the DATA Act Broker and determined that the submission was complete and submitted in a timely manner. Specifically, all transactions and events that should have been recorded were recorded in the proper period, and we did not identify any significant variances between Files A, B, and C. Files A and B were accurate. Detailed information on the accuracy of File C will be discussed as part of our statistical sampling below.

Assessment of a Statistical Sample of Records

In the 2017 audit, we found that all of the samples reviewed contained inaccuracies and over half of the samples did not provide all of the elements required by the DATA Act.

Since the last audit, the agency has begun using PRISM to automatically send data to FPDS-NG to help ensure that contract information submitted to the government-wide systems is accurate. Based on this change to the agency processes, recommendation 4 from the November 2017 audit is considered closed.

For our audit, we selected a statistically valid sample of the agency's FY19, Q1 File C submission, 84 records (78.5 percent). For each record, we reviewed 46 different data elements and looked at 3 attributes for each of those elements.

- Completeness – the data element was reported in the appropriate file
- Accuracy – the data element was presented in accordance with the DAIMS and matched the source document (contract file)
- Timeliness – the data element was reported in accordance with the reporting schedule as defined by Federal requirements (3 days for procurement data)

We also assessed the overall quality of the agency’s submission. This determination was based on the results of the data elements being complete, accurate, and reported on a timely basis.

Identified Errors

We reviewed 3,864 data elements and identified errors related to 6 of those data elements, or approximately 0.19 percent of the elements reviewed. Specifically,

Record A: Two of the data elements were not accurate.

Record B: Two of the data elements were not accurate.

Record C: One of the data elements was not accurate and not complete.

Record D: One of the data elements was not accurate.

Overall Quality of the Statistical Sample

We assessed the quality of the agency’s submission to be high, with error rates for all three attributes being less than 1 percent, and no errors related to dollar value data elements. See Appendix C for more detailed information on testing and errors identified.

FILE D1 ACCURACY ISSUE

While not part of our sample, we would like to highlight that the Peace Corps’ file D1 was not complete. During the agency’s DATA Act Broker validation process, an error was identified where the agency failed to submit contract information to FPDS-NG in a timely manner. During the normal contract award process, all contract information is sent to FPDS-NG. However, for one contract awarded in Q1 there was a problem with PRISM that prevented the contract from following the agency’s normal process. This caused the contract to be awarded without submitting the data to FPDS-NG. When it was processed in FPDS-NG 1 week later, the agency missed the required submission date by 4 days resulting in an untimely submission. Furthermore, the FPDS-NG submission was missing one of the required data elements.

LACK OF A COMPREHENSIVE DATA QUALITY PLAN

The Peace Corps does not have a comprehensive data quality plan (DQP) outlining the risks and what mitigating controls it has in place to demonstrate that data submitted is of high quality because the agency lacks a risk focused approach to managing its operations. Additionally, the agency has not identified the SAO at the correct level within the organization. Without a comprehensive quality control program, the Peace Corps risks not having appropriate and proper controls for all aspects of the financial and procurement data.

Data Quality Plan Requirement

On June 6, 2018, OMB published memorandum 18-16, “Appendix A to OMB Circular A-123, Management of Reporting and Data Integrity Risk.” This memorandum required agencies to develop and maintain a data quality plan (DQP) that outlines risks to Federal spending data and any controls that would manage such risks. It states that when the agency’s SAO makes the quarterly certification of the DATA Act submission, this should be based on consideration of the DQP and agency internal controls in place. It also states that the DQP should be a part of the agency’s enterprise risk management framework.

No Comprehensive Data Quality Plan

The Peace Corps has not developed a comprehensive DQP. Specifically, the agency has not outlined the risks and what mitigating controls it has in place to demonstrate that data submitted is of high quality. After discussions with OIG, the agency began to develop a draft DQP, but this was after the FY 2019, Q1 submission. Furthermore, this draft does not provide a detailed assessment of all risk.

Our November 2017 audit report identified that the Peace Corps lacked a comprehensive program to ensure its DATA Act submission contained quality information. The agency did not review the Odyssey generated files to ensure that all of the data fields were populated prior to submission. Further, the Peace Corps did not perform reconciliations between File C and Files D1, D2, E, and F to ensure that all transactions reported in File C were included in the supporting combined D1, D2, E, and F files. The agency also did not review supporting documentation to ensure the accuracy of the data elements in Files C, D1, D2, E, and F.

Since the last audit, the agency has begun utilizing the automated data validation performed by the Broker to ensure that File C and File D1 reconcile. However, the agency still does not perform any reviews of the supporting contract file documentation to ensure the accuracy or completeness of the data elements prior to quarterly certification. For example, the error described in the last section, where a contract in PRISM was awarded without going through the process to submit the data to FPDS-NG is a risk for which the agency has not identified mitigating controls. Recommendations 1 and 2 from the November 2017 audit remain open.

For the FY 2019, Q1 submission the agency did not conduct an adequate or timely quality review of the agency’s data prior to SAO certification. The SAO requested that ACM perform the data validation on the same day that the certification occurred. The ACM staff were unable to complete this review until 37 days after the certification was already made.

However, we did identify several different types of controls the agency has for data quality. For example, when awarding a contract, the PRISM system requires the contracting officer to get vendor’s contact information from SAM, the government-wide contractor registration portal. Furthermore, PRISM ensures that the funding information and dollar amounts entered match the agency’s financial system, Odyssey. Additionally, prior to award, a more senior contracting specialist conducts a manual review of the contract documentation to ensure that the correct information is within the contract file and system.

At the system level, the Peace Corps uses a commercial product for PRISM and Odyssey that requires the vendor to make updates and patches to the system to ensure that the DATA Act

information is generated in accordance with Treasury's DAIMS. The Peace Corps has an extensive testing program to ensure that any updates to the financial system are sound before deploying them.

Risk Based Approach Needed

The agency lacks a comprehensive quality control program, because the agency does not have a risk focused approach to managing its operations. Through our work in IT Security, we have repeatedly outlined the need for an enterprise risk management framework.⁴ Additionally, the July 15, 2016 memorandum, OMB M-16-17, "OMB Circular No. A-123, Management's Responsibility for Enterprise Risk Management and Internal Control," requires agencies to have an enterprise risk management framework established. However, the agency has not been successful in establishing this framework. The agency established "organizational risk management" as one of its six management objectives in its FY 2018 – 2022 Strategic Plan and set a goal of developing policy, procedures, and an agency-wide risk profile that would be used in decision making by the end of FY 2019. In July 2019, the agency approved the policy and the use of a council to serve as a senior advisory board. However, the council has not been established and a risk profile has not been developed.

In taking a risk-based approach, the agency should have a SAO that can identify and manage the risks related to each aspect of the quarterly DATA Act submission. This includes the contract award process, the DATA Act submission process, as well as the needed quality control process. OMB has defined SAOs as high-level senior officials in the agency with the ability to coordinate across multiple communities and Federal Lines of Business. The SAO is accountable for the quality and objectivity of Federal spending information. These senior leaders should ensure that the information conforms to OMB guidance on information quality and that adequate systems and processes are in place within the agency to promote such conformity.

The Peace Corps has not identified the SAO at the correct level within the agency. The director of AFR does not have authority to coordinate across multiple divisions of OCFO. Specifically, this individual is not responsible for the contract award process or the systems used. They also cannot provide reasonable assurance over internal controls and processes in place for validating the quarterly submission.

Without a comprehensive quality control program, the Peace Corps risks not having appropriate and proper controls for all aspects of the financial and procurement data. Additionally, there is a risk that the agency is not accurately reporting to Treasury and USASpending.gov.

⁴ [Report on the Peace Corps' Information Security Program, FY 2018](#)

RECOMMENDATIONS

We recommend:

1. That the chief financial officer designate a senior accountable officer at a high enough level to coordinate across the multiple divisions of the Office of the Chief Financial Officer.
2. That the Director develop a risk profile in alignment with the agency's enterprise risk management policy and OMB Circular No. A-123, Management Responsibility for Enterprise Risk Management and Internal Control. This should include risks associated with the controls over the source systems and reporting for the Digital Accountability and Transparency Act of 2014.
3. That the chief financial officer develop and implement a data quality plan that aligns with the requirements of OMB memorandum 18-16 and outlines the risk and mitigating controls the agency has in place to demonstrate that the data submitted is of high quality.
4. That the chief financial officer require all quality review steps, outlined in the data quality plan, be performed prior to the senior accountable officer certification of the quarterly submissions for the Digital Accountability and Transparency Act of 2014.

APPENDIX A: OBJECTIVE, SCOPE, AND METHODOLOGY

OBJECTIVES

The objectives of this audit were to assess (1) the completeness, accuracy, timeliness, and quality of the FY 2019, Q1 financial and award data submitted for publication on USASpending.gov; and (2) implementation and use of the Government-wide financial data standards established by the Office of Management and Budget and the Department of the Treasury.

SCOPE

OIG conducted this audit between May 2019 and September 2019 at the Peace Corps headquarters in Washington, D.C. The scope of our review included financial and award data the Peace Corps submitted for publication on USASpending.gov between October 1, 2018 and December 31, 2018 (FY 2019, Q1) and the associated supporting documentation.

We conducted this performance audit in accordance with the Generally Accepted Government Auditing Standards, 2011 revision. 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.

Throughout the audit, auditors were aware of the possibility or existence of fraud, waste, or misuse significant to the audit objectives and conducted procedures designed to obtain reasonable assurance of detecting any such fraud as deemed appropriate.

METHODOLOGY

Our audit methodology followed the *CIGIE FAEC Inspectors General Guide to Compliance Under the DATA Act*, issued February 14, 2019. This guide presented a common methodology for the Inspector General community to use in performing this mandated audit. According to the guide, the audit team should:

- obtain an understanding of any regulatory criteria related to its agency's responsibilities to report financial and award data under the DATA Act;
- review the agency's data quality plan;
- assess 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;
- review and reconcile the FY 2019, Q1 summary-level data submitted by the agency for publication on USASpending.gov;
- review a statistically valid sample from FY 2019, Q1 financial and award data submitted by the agency for publication on USASpending.gov;

PEACE CORPS OFFICE OF INSPECTOR GENERAL

- assess the completeness, accuracy, timeliness, and quality of the financial and award data sampled; and
- assess the agency’s implementation and use of the 57 data elements/standards established by OMB and Treasury.

To obtain background information, we reviewed Federal laws and regulations, as well as relevant prior OIG and GAO audit reports. We also reviewed the OMB Circulars and Memoranda, guidance published by Treasury, and internal Peace Corps’ Manual Sections and procedure guides.

We met with the Peace Corps’ officials to gain an understanding of the processes used to implement and leverage the data standards. Specifically, we obtained an understanding of the processes used to create and perform quality controls on the DATA Act submission. We obtained an understanding of processes to record procurement awards in the Peace Corps’ systems and other Federal systems.

We selected a statistically random sample of 84 contracts from the agency’s FY 2019, Q1 File C submission as determined by the *CIGIE FAEC Inspectors General Guide to Compliance Under the DATA Act*.⁵

Table 1: Sample Size Determination	
Population	107
Formula	$385 / [1 + (385/N)]$, where “N” represents the population size.
Calculation of sample size	83.7296748 (rounded out to 84)
Percent of Population tested	78.5 percent

For each of these 84 contracts, we followed the *CIGIE FAEC Inspectors General Guide to Compliance Under the DATA Act* to assess the use and implementation of the 57 standard data elements as defined by OMB and Treasury. For the Peace Corps, only 46 data elements were applicable. The nine other elements were either located in File D2, for which the Peace Corps does not have any data; or Files E and F, for which the agency is not responsible.

For each of the 46 data elements, we tested and assessed for the completeness, accuracy, timeliness, and quality of the financial and award data sampled. See Appendix C for the definitions on these testing elements. To conduct this testing, we used ACM contracting files, PRISM, FPDS-NG, SAM, and DAIMS.

⁵ The Inspector General’s Guide to Compliance under the DATA Act states the following: For agencies with a smaller population, where the recommended sample size of 385 represents 5 percent or more of the population, the IG may reduce the sample size by applying the finite correction factor using the following formula to determine the recommended sample size: $385/[1+(385/N)]$, where “N” represents the population size.

REVIEW OF INTERNAL CONTROLS

Internal controls relate to management's plans, methods, and procedures used to meet their mission, goals, and objectives. We took steps to assess the design of internal and information system controls as it relates to the extraction of data from the source systems and the reporting of data to the DATA Act Broker. We utilized the Government Accountability Office's *Standards for Internal Control in the Federal Government* five components of internal control (control environment, risk assessment, control activities, information and communication, and monitoring) and the *CIGIE FAEC Inspectors General Guide to Compliance Under the DATA Act* steps to direct the work. We conducted walkthrough meetings and observations of the Peace Corps' systems, PRISM and Odyssey. We also reviewed the agency's draft DQP.

We also relied upon the work of our financial statement auditors who assess the controls over the Peace Corps financial data and systems. Their testing includes reviewing a sample of contracts and the controls in place over Odyssey and PRISM. Additionally, we used the work of our annual IT security reviewers. They assess the Peace Corps' overall information security program.

USE OF COMPUTER-PROCESSED DATA

The Government Accountability Office's *Assessing the Reliability of Computer-Processed Data* defines reliability to mean that the data is reasonably complete, accurate, meets its intended purpose, and is not subject to inappropriate alteration.

As outlined in the Background section of this report, the files included in the Peace Corps' DATA Act submission were generated from multiple systems, including the Peace Corps-owned systems and systems used across the Federal Government. Since one of our objectives was to review the submission files by tracing information to source documentation, additional steps were not considered necessary to assess the sufficiency of computer processed data. See Audit Results section for findings.

APPENDIX B: FY 2017 DATA ACT AUDIT RECOMMENDATIONS

In the November 2017 OIG Audit of the Peace Corps' Implementation of the DATA Act, we recommended that the SAO assigned by the OCFO coordinate with applicable offices to:

Recommendation 1: Expand and improve upon existing internal quality control procedures, including reconciliations specifically between Files C through E, to validate the completeness and accuracy of the required data elements.

Recommendation 2: Implement quality control procedures over the individual files to review the files for missing and invalid data fields to validate the completeness and accuracy of the required data elements.

Recommendation 3: Enhance the current DATA Act reporting process to ensure that transactions outside the DATA Act reporting requirements (e.g., non-monetary obligation transactions which do not represent obligation modification activity, as well as transactions outside the reporting period) are not included in the final submission of DATA Act-required files and that the required data elements are populating the files correctly.

Recommendation 4: Develop and implement procedures to validate the accuracy of the data reported to FPDS-NG in order to meet the full DATA Act reporting requirements. This should include data validation procedures to ensure the accuracy of the data input to FPDS-NG, as well as the Peace Corps' systems (e.g., PRISM) that interface with FPDS-NG. Additionally, this should include corrective action or quality control procedures for inaccurate information reflected in FPDS-NG resulting from the interfaces with the Peace Corps' systems.

APPENDIX C: DETAILS ON TESTING AND ERROR RATES

ASSESSMENT OF OVERALL DATA ACT SUBMISSION

Testing Criteria:

Completeness of Agency Submission – Transactions and events that should have been recorded are recorded in the proper period.

Timeliness of Agency Submission – Reporting of the agency DATA Act submission to the DATA Act Broker is in accordance with the schedule established by the Treasury DATA Act Project Management Office.

Results:

Completeness and Timeliness of the Agency Submission – We evaluated the Peace Corps' FY 2019, Q1 DATA Act submission to the DATA Act Broker and determined that the submission was complete and timely. To assess the completeness of the submission, we evaluated Files A, B, and C to determine if all transactions and events that should have been recorded were recorded in the proper period.

Summary-Level Data and Linkages for Files A, B, and C – We reconciled Files A and B to determine if they were accurate. Through our test work, we noted that Files A and B were accurate. Additionally, we reconciled the linkages between Files A, B, and C to determine if the linkages were valid and to identify any significant variances between the files. Our test work did not identify any significant variances between Files A, B, and C.

ASSESSMENT OF RECORD-LEVEL DATA

Testing Criteria:

Completeness of Data Elements – Of the required data elements that should have been reported, each data element was reported in the appropriate Files A through D2.

Accuracy of Data Elements – Amounts and other data relating to recorded transactions have been recorded in accordance with the DAIMS and agree with the authoritative source records.

Timeliness of Data Elements – For each of the required data elements that should have been reported, the data elements were reported in accordance with the reporting schedules defined by the financial procurement and financial assistance requirements.

Quality of Data Elements – Data that is complete, accurate, and reported on a timely basis.

Results:

Table 2: Attributes			
Description of Attribute Testing	Completeness	Accuracy	Timeliness
Error Rate	0.03%	0.16%	0.00%
Source of Sample	File C	File C	File C
Population Size	107	107	107
Type of Statistical Sampling Methodology	Random	Random	Random
Sample Size	84	84	84

Quality

The quality of the data elements was determined using the midpoint of the range of the proportion of errors (error rate) for completeness, accuracy, and timeliness. The highest of the three error rates was used as the determining factor of quality. The following table provides the range of error in determining the quality of the data elements.

Table 3: Error Rate Quality	
Highest Error Rate	Quality Level
0% - 20%	Higher
21% - 40%	Moderate
41% and above	Lower

Based on our test work and the highest error rate of 0.16 percent, we determined that the quality of the Peace Corps' data is considered Higher.

APPENDIX D: LIST OF ACRONYMS

List of Acronyms	
ACM	Acquisition and Contract Management group
AFR	Accounting and Financial Reporting group
DAIMS	DATA Act Information Model Schema
DATA Act	The Digital Accountability and Transparency Act of 2014
DQP	Data Quality Plan
DUNS	Data Universal Numbering System
FPDS-NG	Federal Procurement Data System – Next Generation
FY	Fiscal Year
GSA	General Services Administration
OCFO	Office of the Chief Financial Officer
OIG	Office of Inspector General
OMB	Office of Management and Budget
Q1	Quarter 1
Q2	Quarter 2
SAM	System for Award Management
SAO	Senior Accountable Officer
Treasury	Department of the Treasury

APPENDIX E: AGENCY RESPONSE TO THE PRELIMINARY REPORT



MEMORANDUM

To: Kathy Buller, Inspector General

Through: Anne Hughes, Chief Compliance Officer

From: Richard Swartz, Chief Financial Officer *Richard Swartz*

Date: November 5, 2019

CC: Matthew McKinney, Deputy Chief of Staff/White House Liaison
Maura Fulton, Senior Advisor to the Director
Carl Sosebee, Senior Advisor to the Director
Robert Shanks, General Counsel
Andrew Pierce, Deputy Chief Financial Officer
Trina Scott, Director of Accounting, Accounting and Financial Reporting
Sonja Truehart-McKinney, Director, Acquisition and Contract Management
Angela Kissel, Compliance Officer

Subject: Agency Response to the preliminary report on Peace Corps' Compliance with the Digital Accountability and Transparency Act (Project No. 19-AUD-05)

Enclosed please find the agency's response to the recommendations made by the Inspector General for The Peace Corps' Compliance with the Digital Accountability and Transparency Act (Project No. 19-AUD-05) given to the agency on October 21, 2019.

Recommendation 1

That the chief financial officer designate a senior accountable officer at a high enough level to coordinate across the multiple divisions of the Office of the Chief Financial Officer.

Concur

Response: The Chief Financial Officer has designated the Deputy Director of CFO/AFR as the Senior Accountable Officer (SAO) for executive leadership and technical oversight of Peace Corps DATA Act compliance and reporting.

Documents Submitted:

- Memo detailing the designation of the Senior Accountability Officer

Status and Timeline for Completion: Completed, October 2019

Recommendation 2

That the Director develop a risk profile in alignment with the agency's enterprise risk management policy and OMB Circular No. A-123, Management Responsibility for Enterprise Risk Management and Internal Control. This should include risks associated with the controls over the source systems and reporting for the Digital Accountability and Transparency Act of 2014.

Concur

Response: The SAO will work with the Enterprise Risk Management Coordinator to ensure that the agency risk profile includes risks related to DATA Act compliance and with systems associated with DATA Act reporting.

Documents Submitted:

- Agency risk profile

Status and Timeline for Completion: September 2020

Recommendation 3

That the chief financial officer develop and implement a data quality plan that aligns with the requirements of OMB memorandum 18-16 and outlines the risk and mitigating controls the agency has in place to demonstrate that the data submitted is of high quality.

Concur

Response: In September 2019, the CFO approved the agency's Data Quality Plan (DQP). The DQP outlines the measures the agency will undertake and implement to ensure reasonable internal control over quarterly DATA Act reporting. The DQP was prepared in accordance with Office of Management and Budget (OMB) M-18-16, Appendix A to OMB Circular No. A-123, Management of Reporting and Data Integrity Risk.

Documents to be Submitted:

- A copy of the approved Data Quality Plan

Status and Timeline for Completion: Completed, October 2019

Recommendation 4

That the chief financial officer require all quality review steps, outlined in the data quality plan, be performed prior to the senior accountable officer certification of the quarterly submissions for the Digital Accountability and Transparency Act of 2014.

Concur

Response: The DQP was prepared in accordance with Office of Management and Budget (OMB) M-18-16, Appendix A to OMB Circular No. A-123, Management of Reporting and Data Integrity Risk and the agency will ensure all quality review steps are performed prior to the certification of the quarterly submissions.

Documents to be Submitted:

- Email correspondence, meeting agenda, meeting minutes, and acknowledgement of reviewed DATA Act submission between the Director of CFO/AFR and the SAO.

Status and Timeline for Completion: December 15, 2019

APPENDIX F: OIG COMMENTS

Management concurred with all four recommendations. In its response, management described actions it has taken or intends to take to address the issues that prompted each of our recommendations. These recommendations will remain open pending a copy of documentation listed in the agency's response.

We wish to note that in closing recommendations, we are not certifying that the agency has taken these actions, nor that we have reviewed their effect. Certifying compliance and verifying effectiveness are management's responsibilities. However, when we feel it is warranted, we may conduct a follow-up review to confirm that action has been taken and to evaluate the impact.

APPENDIX G: AUDIT COMPLETION AND OIG CONTACT

AUDIT COMPLETION

This audit was conducted under the direction of Assistant Inspector General for Audit Judy Leonhardt by Lead Auditor Rebecca Underhill and Senior Auditor Shane Potter.



OIG CONTACT

If you wish to comment on the quality or usefulness of this report to help us strengthen our product, please contact Assistant Inspector General for Audit Judy Leonhardt at jleonhardt@peacecorpsoig.gov or 202.692.2914.

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