DEFENSE NUCLEAR FACILITIES
SAFETY BOARD
WASHINGTON, D.C. 20004-2901

OFFICE OF THE
INSPECTOR GENERAL

November 7, 2019

MEMORANDUM TO: Glenn Sklar
General Manager

FROM: Dr. Brett M. Baker ***/RA/***
Assistant Inspector General for Audits

SUBJECT: AUDIT OF DNFSB'S COMPLIANCE WITH THE DIGITAL ACCOUNTABILITY AND TRANSPARENCY ACT OF 2014 (DATA ACT) (DNFSB-20-A-02)

The Office of the Inspector General (OIG) contracted CliftonLarsonAllen (CLA) to conduct an audit of DNFSB's Implementation of DATA Act of 2014. Attached is CLA's audit report titled *Audit of DNFSB's Compliance with the Digital Accountability and Transparency Act of 2014 for Fiscal Year 2019.* The objective of this audit was to assess (1) the completeness, accuracy, timeliness and quality of the fiscal year (FY) 2019, first quarter financial and award data submitted for publication on USASpending.gov, and (2) DNFSB's implementation and use of the Government-wide financial data standards established by Office of Management and Budget (OMB) and the U.S. Department of the Treasury (Treasury). The findings and conclusions presented in this report are the responsibility of CLA. OIG's responsibility is to provide adequate oversight of the contractor's work in accordance with Generally Accepted Government Auditing Standards (GAGAS).

The report presents the results of the audit. Following the exit conference, agency staff indicated that they had no formal comments for the inclusion in this report.

CLA found that the DNFSB's submission at the summary-level and linkages was timely and complete for FY 2019, Quarter 1. However, the audit identified areas that need improvement.

Please provide information on actions taken or planned on each of the recommendation(s) within 30 calendar days of the date of this memorandum. Actions taken or planned are subject to OIG followup as stated in Management Directive 6.1. We appreciate the cooperation extended to us by members of your staff during the audit. If you have any question or comments about our report, please contact me at (301) 415-5915 or Eric Rivera, Team Leader, at (301) 415-7032.

CliftonLarsonAllen LLP
CLAconnect.com

Defense Nuclear Facilities Safety Board

Performance Audit Report
DNFSB's Compliance under the Digital Accountability and Transparency (DATA) Act of 2014

Fiscal Year 2019, First Quarter, DATA Act Submission

Prepared by:
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November 4, 2019

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INDEPENDENT AUDITORS' REPORT

Inspector General
United States Nuclear Regulatory Commission

The Defense Nuclear Facilities Safety Board (DNFSB) 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 United States Nuclear Regulatory Commission (NRC) Office of Inspector General (OIG) contracted with CliftonLarsonAllen LLP (CLA), an independent certified public accounting firm, to conduct a performance audit on DNFSB's compliance under the DATA Act. This report represents the results of our performance audit of the DNFSB's compliance under the Digital Accountability and Transparency Act of 2014 (DATA Act). The objectives of this performance audit was to assess (1) the completeness, accuracy, timeliness and quality of DNFSB's fiscal year (FY) 2019, first quarter financial and award data submitted for publication on USASpending.gov, and (2) DNFSB's implementation and use of the Government-wide financial data standards established by Office of Management and Budget (OMB) and the U.S. Department of the Treasury (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 the *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform our 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 audit found that DNFSB's FY 2019, Quarter 1 submission at the summary-level data and linkages for Files A, B, and C was timely and complete. However, we found errors in record-level data and linkages for Files C and D1. We also found errors in record-level data elements testing for completeness, accuracy, and timeliness resulting in moderate quality of the data submitted. We also found that DNFSB's data has some mapping errors in implementing and using the Government-wide financial data standards in accordance with the standards established by OMB and Treasury.

We provided a discussion draft report to DNFSB on October 23, 2019. An exit conference was held subsequently with DNFSB on November 4, 2019. After reviewing the discussion draft, DNFSB management provided comments that have been incorporated into this report, as appropriate. DNFSB management stated their agreement with the results and recommendations in this report and opted not to provide formal comments for inclusion in this 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. The information included in this report was obtained from DNFSB on or before November 4, 2019. We have no obligation to update our report or to revise the information contained herein to reflect events and transactions occurring subsequent to October 18, 2019.

The purpose of this audit report is to report on DNFSB'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

CliftonLarsonAllen LLP
Arlington, VA
November 4, 2019

ABBREVIATIONS AND SHORT REFERENCES

Award ID	Award Identification
CLA	CliftonLarsonAllen LLP
CIGIE	Council of the Inspectors General on Integrity and Efficiency
DAIMS	DATA Act Information Model Schema
DATA Act	Digital Accountability and Transparency Act of 2014
DNFSB	Defense Nuclear Facilities Safety Board
DQP	Data Quality Plan
FABS	Financial Assistance Broker Submission
FAEC	Federal Audit Executive Council
FAIN	Financial Assistance Identifier Number
FAR	Federal Acquisition Regulation
FFATA	Federal Funding Accountability and Transparency Act of 2006
FFMIA	Federal Financial Management Improvement Act of 1996
FPDS-NG	Federal Procurement Data System – Next Generation
FSRS	FFATA Sub-award Reporting System
GAGAS	Generally Accepted Government Auditing Standards
GAO	Government Accountability Office
GSA	General Services Administration
GTAS	Government-wide Treasury Account Symbol
IDD	Interface Definition Document
IG	Inspector General
IGT	Intragovernmental Transactions
OMB	Office of Management and Budget
POP	Period of Performance
PIID	Procurement Instrument Identifier Number
PMO	Program Management Office
RSS	Reporting Submission Specification
SAM	System for Award Management
SAO	Senior Accountable Official
SOC	Service Organization Controls
TAS	Treasury Account Symbol
Treasury	Department of the Treasury
URI	Unique Record Identifiers
USSGL	United States Standard General Ledger
Working Group	FAEC DATA Act Working Group

I. OBJECTIVES

The objectives of our performance audit were to assess the:

(1) completeness, accuracy, timeliness and quality of the fiscal year (FY) 2019, first quarter financial and award data submitted by DNFSB for publication on USASpending.gov, and

(2) DNFSB's 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).

II. 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 Office of Management and Budget (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 starting in January 2017. Subsequently, and in accordance with the DATA Act, Treasury began displaying Federal agencies' data on USASpending.gov for taxpayers and policy makers in May 2017.

The DATA Act also requires the IG 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.

The Council of the Inspectors General on Integrity and Efficiency (CIGIE) identified a timing anomaly with the oversight requirement contained in the DATA Act. That is, the first IG reports were due to Congress in 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. The CIGIE's letter memorializing this strategy can be found in Appendix V.

During the 2017 testing and reporting period, IGs employed varying methods for meeting the requirements set forth in the DATA Act. For example, the data the IGs used to select and review sample transactions varied based on the data availability and the type of engagement performed by the respective IGs. Comparing and compiling the information from all IG reports was difficult for stakeholders. Of the IG reports reviewed by GAO; approximately 72 percent of IGs did not find agency data to be complete, timely, accurate, or of quality. In addition, during 2017, IGs identified government-wide issues with Treasury's DATA Act Broker, which impacted the testing results of the IGs. IGs, GAO, OMB, Treasury, agencies, and Congress found many lessons to be

learned following the 2017 engagements. The CIGIE Federal Audit Executive Council (FAEC) Working Group compiled a listing of these lessons learned and came together to revise the *CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act,* referred to as the IG Guide. The revisions to the IG Guide address the concerns and ensure future IG audits are comparable, useful, and meet the requirements of the DATA Act. In consultation with GAO, as required by the DATA Act, the Working Group developed the IG Guide to set a baseline framework for the required reviews performed by the IG community and to foster a common methodology for performing these mandates. The IG Guide was updated for the second required report, due November 8, 2019 and may again be updated for the subsequent report due November 2021 based on feedback from the IG community, GAO, and other stakeholders.

DNFSB contracts through an interagency agreement with the U.S. Department of Agriculture (USDA), Pegasys Financial Group (PFS), a federal shared service provider (FSSP), for its financial management services. Those services consist of financial management systems services, financial management reporting and accounting support, optional financial management services, budgeting and analysis support, travel system operations services, and other service. Included in the FSSP's scope of services is DATA Act preparation support. Although the FSSP performs specific DATA Act financial reporting duties, DNFSB is primarily responsible to ensure that the integrity and quality of the data reported is complete, accurate and timely.

Appendix IV briefly describes the data submission requirements under the DATA Act implementing guidance from the Treasury, OMB, and the IG guide.

III. RESULTS OF AUDIT

Our audit found that DNFSB's FY 2019, Quarter 1 submission at the summary-level data and linkages for Files A, B, and C was timely and complete. However, we found errors in record-level data and linkages for Files C and D1. We also found errors in record-level data elements testing for completeness, accuracy, and timeliness resulting in moderate quality of the data submitted. We noted that DNFSB's data has some mapping errors in implementing and using the Government-wide financial data standards established by OMB and Treasury. We discuss these errors and internal control deficiencies in the section Results of Audit.

A. Timeliness of the Data Act Submission

We evaluated DNFSB's DATA Act submission to Treasury DATA Act Broker and determined that the submission was timely. We verified that DNFSB certified its submission in the Treasury DATA Act Broker on March 20, 2019, the submission due date.

B. Completeness of the Data Act Submission – Reconciling Summary-Level Data and Linkages for Files A and B

We performed reconciliation of summary-level data and linkages for Files A and B and found DNFSB's submission to be complete. Completeness of the agency submission is defined as, transactions and events that should have been recorded are recorded in the proper period.

To assess completeness of File A, we verified that File A includes all Treasury Account Symbols (TAS) from which funds were obligated as reflected in the Government-wide TAS (GTAS) SF-133 without Error. All summary-level data from File A matched the GTAS SF-133 data elements. DNFSB has one TAS with a no-year (X) fund, and six two-year funds for a total of seven TASs.

To assess completeness of File B, we compared the data in File B to the TASs listed in File A and verified that all TASs in File A are accounted for in File B without Error. We verified that the totals of File A and B were equal, and all object class codes from File B match the codes defined in Section 83 of OMB Circular A-11.[1]

C. Completeness of File C and its Suitability for Sampling

File C links to File B through the TAS, object class, and program activity data elements. We assessed this linkage by tracing these elements from File C to File B to ensure they exist in File B. We found that File C is complete and was suitable for sampling. However, since File C had only 17 records, we decided to test the 17 records and did not perform sampling.

D. Record-Level Data and Linkages for Files C and D1 [2]

File C links to File D by the Award Identification (Award ID) Number. We tested the linkages between File C and File D1 by matching the Procurement Instrument Identifier Numbers (PIIDs)[3], and found that File C had six more records than File D1. The six records were not contract actions but were payments and were improperly included in the File C submission. The improper submissions were due to the following:

a. For two records, DNFSB explained that prior to August 2019, the modification number is included as part of the PIID in their accounting system. However, the FPDS does not include the modification number as part of the PIID, and instead incudes the modification number in a separate data field. As a result, and the way the FSSP compiles File C, payments transactions that are posted to the PIIDs create a balance in the USSGL account 4801 and 4901 that should have been netted against balances in the original PIID without them modification number.

   OMB M-15-12[4] requires that all Federal agencies must carry the prime award identification number (Award ID) so that award-level and financial data may be linked for each Federal award.

b. Two records were interest payments that the FSSP improperly included in the File C submission. DAIMS v 1.3.1 provides guidance on what fields are to be included and

[1] OMB A-11, Preparation, Submission, and Execution of the Budget (July 1, 2016); Section 83 of OMB A-11 can be found at https://obamawhitehouse.archives.gov/sites/default/files/omb/assets/a11_current_year/s83.pdf
[2] DNFSB did not have financial assistance awards, therefore, there was no record in File D2
[3] PIIDs are the Award ID for procurement awards
[4] OMB M-15-12, Increasing Transparency of Federal Spending by Making Federal Spending Data Accessible, Searchable, and Reliable, dated May 8, 2015

what information is supposed to be included in data field. The FSSP recognizes this issue and they are working to resolve this issue.

c. For two records, the contract actions were reported in FDPS-NG in a prior quarter, and the accounting system transactions were recorded in FY 2019, Quarter 1. For example: one of the records has a contract action date in FY 2018 (7/31/2018), which was the date the Contracting Officer signed the contract. However, the contract was not effective until FY 2019, and was recorded in the accounting system on 10/4/2018. DNFSB entered the procurement award data elements in FPDS-NG within 3 business days after contract award in compliance with FAR Part 4.604 resulting in the record being reported in two different quarters.

E. Data Element (DE) Analysis – Error Rates for Completeness, Accuracy and Timeliness

We selected all 17 records in File C and tested 736 data elements for completeness, accuracy, and timeliness. The summary result of PIID testing is shown in Table 1 below:

Record #	Total # DEs	# Incomplete		# Inaccurate		# Untimely	
1	45	40	88.89%	41	91.11%	40	88.89%
2	45	40	88.89%	42	93.33%	40	88.89%
3	42	0	0.00%	0	0.00%	0	0.00%
4	45	40	88.89%	42	93.33%	40	88.89%
5	42	0	0.00%	0	0.00%	0	0.00%
6	43	0	0.00%	3	6.98%	0	0.00%
7	45	40	88.89%	41	91.11%	40	88.89%
8	43	0	0.00%	2	4.65%	0	0.00%
9	45	40	88.89%	41	91.11%	40	88.89%
10	43	0	0.00%	4	9.30%	0	0.00%
11	42	0	0.00%	3	7.14%	0	0.00%
12	43	0	0.00%	1	2.33%	0	0.00%
13	42	0	0.00%	4	9.52%	0	0.00%
14	42	0	0.00%	0	0.00%	0	0.00%
15	42	0	0.00%	0	0.00%	0	0.00%
16	45	40	88.89%	41	91.11%	40	88.89%
17	42	0	0.00%	0	0.00%	0	0.00%
Total DEs Tested	736						
Total Errors		**240**		**265**		**240**	
Error Rate		**32.6%**		**36.0%**		**32.6%**	

Table 1: Summary Results of PIID Testing

See Appendix I for the DNFSB's Results of Testing by Data Elements.

Completeness of the Data Elements

The overall error rate for the completeness of the data elements is 32.6 percent. A data element is complete if the required data element that should have been reported was reported.

Accuracy of the Data Elements

The overall error rate for the accuracy of the data elements is 36.0 percent. A data element is accurate when amounts and other data relating to recorded transactions have been recorded in accordance with the DATA Act Information Model Schema (DAIMS), Reporting Submission Specification (RSS), Interface Definition Document (IDD), and the online data dictionary, and agree with the authoritative source records.

Timeliness of the Data Elements

The overall error rate for the timeliness of the data elements is 32.6 percent. A data element is timely when each of the required element that should have been reported, is reported in accordance with the reporting schedules defined by the procurement and financial, procurement, and financial assistance requirements (Federal Funding Accountability and Transparency Act (FFATA), Federal Acquisition Regulation (FAR), Federal Procurement Data System – Next Generation (FPDS-NG), Financial Assistance Broker Submission (FABS) and DAIMS).

F. Final Determination of the Quality of the Data Elements

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 timelines. The highest of the three error rates was used as the determining factor of quality. Table 2 below provides the range of error in determining factor of quality.

Highest Error Rate	Quality Level
0 - 20 Percent	**Higher**
21 – 40 Percent	**Moderate**
41 Percent and above	**Lower**

Table 2: Range of Error and Quality Level

Based on our test and the highest error rate of 36.0 percent, we determined that the quality of DNFSB's data is considered moderate.

G. Supplemental (non-projected) Reporting of the Results of the Testing

Data Element Analysis

DAIMS v1.3.1 provides reporting guidance that includes a listing of the data elements with specific instructions for federal agencies to submit content in the appropriate format. Also, this guidance contains a listing of elements, with supporting metadata, that explain what data will be

pulled from government-wide systems for procurement and sub-awards and from the Broker itself for financial assistance.

In analyzing the results of testing the 57 data elements for each of the 17 PIID records, we found the following errors that impacted the completeness, accuracy and timeliness of the data at the record level.

Error 1: Eight (8) records in File C have improper PIID. DNFSB explained that this was caused by how it generated the PIID prior to August 2019. DNFSB included modification number as part of the PIID in their accounting system. This resulted in records being improperly included in File C submission that may not represent contract actions, but rather payment actions, or may not have a corresponding File D1 record. Four (4) of the eight (8) records were noted in section D above where the records were in File C but not in File D1.

Error 2: The obligation amount for four (4) records reported on File C did not represent true obligations that is supported by a contract or contract modification. DNFSB explained that there are multiple issues causing these errors. Two (2) of the records are interest charges which were erroneously included in the FSSP File C submission. The other two (2) records related to payments activities and were not true obligations. However, similar to Error 1, inclusion of payment activities was due how DNFSB generated the PIID prior to August 2019.

Error 3: For two (2) records, the vendor address per File D1 and SAM.gov did not agree. DNFSB explained that the vendor's address in SAM.gov is approximately seven (7) years out of date, and the address in the contract file is the correct address. Since File D1 is populated from the address filed in SAM.gov, DNFSB does not have the ability to update SAM.gov and it is the responsibility of the vendor to update SAM.gov.

Error 4: For three (3) records, the period of performance (POP) Start Date per File D1 did not agree to the POP start date per the contract file. We found that the POP start date data element in File D1 was populated using the Action Date instead of the POP Start Date.

Error 5: For one (1) record, the Action Date per File D1 did not agree to the date that the contract was signed. We found that the action date per File D1 was 12/14/2018; however, the contract was signed on 11/6/2018.

Error 6: For one (1) record, the POP Current End Date and POP Potential End Date per File D1 and FPDS did not agree to the contract. The POP Current End Date and POP Potential End Date per FPDS is 12/13/2019; however, per contract, the POP End Date should be 09/30/2019. DNFSB stated that the contract officer is going to correct the dates in FPDS.

Error 7: For one (1) record, the Ultimate Parent Name and Ultimate Parent Identifier per File D1 did not agree to the Ultimate Parent per SAM.gov. Per File D1, the Ultimate Parent Name for the PIID is West Publishing Corporation; however, per SAM.gov, the Ultimate Parent Name is Thompson Reuters Corporation. This error was caused by the way General Services Administration (GSA) constructs File D1 and not within DNFSB's control.

Error 8: For two (2) records, the Current Total Value of Award and Potential Total Value of Award per File D1 did not agree to the contract. Per contract file, one PIID was a new contract with an obligation amount of $11,600, and the other PIID was a modification to the original contract that

increased the obligation by $350 to $11,950, making the Current Value and Potential Value of the contract at $11,950. However, per File D1, the Current Value and Potential Value for both records (PIIDs) was $23,500, which was the sum of the original contract value and the modified contract value ($11,600 + $11,950) and was incorrect. DNFSB explained that the errors were due to either the FPDS or by the way GSA constructs the File D1 and not within DNFSB's control.

Analysis of the Accuracy of the Dollar Value-Related Data Elements

Table 3 below shows the summary of errors pertaining to the accuracy of dollar value-related data elements. Since we tested all 17 records in File C, the errors are known errors and not projected.

PIID/ FAIN	Data Element Number	Data Element Name	Accurate	Not Accurate	Not Applicable	Total Tested	Error Rate	Absolute Value of Errors
PIID	DE 53	Obligation	13	4	0	17	24%	$12,118.09
PIID	DE 11	Federal Action Obligation	11	6	0	17	35%	$73,386.13
PIID	DE 14	Current Total Value of Award	9	8	0	17	47%	$11,550.00
PIID	DE 15	Potential Total Value of Award	9	8	0	17	47%	$11,550.00
		Total	**42**	**26**	**0**	**68**		**$108,604.22**

Table 3: Accuracy of Dollar Value-Related Data Elements

Analysis of Errors in Data Elements Not Attributable to DNFSB

Table 4 shows errors that were caused by an entity other than DNFSB. See Errors 7 and 8 above.

PIID/ FAIN	DATA Element		Attributed To
PIID	DE 26	Period of Performance Start Date	Treasury's DATA Act Broker Extracting from FPDS-NG
PIID	DE 5	Legal Entity Address	FPDS-NG Extracting from SAM.gov
PIID	DE 4	Ultimate Parent Legal Entity name	FPDS-NG Extracting from SAM.gov
PIID	DE 14	Current Total Value of Award	Treasury's DATA Act Broker Extracting from FPDS-NG
PIID	DE 15	Potential Total Value of Award	Treasury's DATA Act Broker Extracting from FPDS-NG

Table 4: Errors in Data Elements Not Attributable to DNFSB

- For DE 26 on the period of performance (POP) start date, this is a known error and discussed in FAEC DATA Act Working Group Frequently Asked Questions (FAQ) as of September 27, 2019. The FAQ's response to question 27 states that "…Neither OMB nor Treasury DATA Act PMO has issued clarifying guidance or specific instructions on how to report POP start date for procurement awards…" See more explanation in Error 4 above.
- For DE 5, the vendor did not update SAM.gov. DNFSB's contract file is correct, but since File D1 is generated by pulling the data for this field from SAM.gov. DNFSB reached out to the vendor to confirm the correct address in contract file. See more explanation in Error 3 above.
- For DE 4, the Broker system pulls from SAM.gov the immediate parent information and not the ultimate parent information when there are more than two layers of related parties. See more explanation in Error 7 above.
- For DEs 14 and 15, DNFSB was not aware of the cause of error. The fields in FPDS-NG agree to the contract files per our audit. See more explanation in Error 8 above.

H. Implementation and Use of the Data Standards

We have evaluated DNFSB's implementation and use of the government-wide financial standards for spending information as developed by OMB and Treasury. DNFSB has fully implemented and are using those data standards as defined by OMB and Treasury. However, as described in the errors we identified, some of data elements were not mapped in accordance with the standards.

I. Status of Fiscal Year 2017 DATA Act Recommendations

We reviewed FY 2017 recommendations to evaluate DNFSB's implementation of the corrective actions.

FY 2017 Finding	Corrective Action Reviewed by CLA	Status of Finding
1. DNFSB was not able to submit an SAO statement associated with their Broker upload. Therefore, there was no attestation of the validity and reliability of the DATA Act submission for DNFSB.	DNFSB issued an SAO statement for Q1, Fiscal year 2019, DATA Act Submissions.	Closed
2. DNFSB was not able to map data from DNFSB source systems to the DATA Act Schema in time for the second quarter FY 2017 submission. Additionally, DNFSB did not document the mapping of the data elements within Pegasys to the 57 DATA Act data elements.	DNFSB and the FSSP completed the mapping and documenting of the data elements within Pegasys to the 57 data elements.	Closed

Table 5: Status of FY 2017 DATA Act Findings

J. Assessment of Internal Controls

The errors we identified in Sections D and G (except for Errors 3, 4, 7, and 8) disclosed internal control deficiencies over DATA Act submission validation and reconciliation process of the data extracted from the Data Act Broker and its source system. It also disclosed that certain data elements were mapped incorrectly. Most of these errors were identified during the audit, and not identified by DNFSB's quality control procedures prior to the SAO's certification. DNFSB explained that corrective actions will be made in the subsequent reporting period as there was not adequate time to make the changes in the reporting period. Also, mapping errors must be corrected by the FSSP, and not DNFSB.

K. Recommendations

We recommend that DNFSB:

1. Work with its FSSP to correct the PIIDs for new obligations in its accounting system and to correct the mapping of certain data elements to ensure that data elements are in accordance with the data standards established by OMB and the Treasury.

2. Perform an effective quality control review of the data and linkages in the files received from the FSSP aimed at identifying root causes of warning and errors, if any, prior to the SAO certification.

IV. REPORT DISTRIBUTION

DNFSB Distribution
Office of General Manager
Office of Chief Finance Officer
Office of General Counsel

Non-DNFSB 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
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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
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Washington, D.C. 20515
202-226-7200

GAO
Report electronically submitted to DATAActImplementation@gao.gov

Treasury OIG
Report electronically submitted to DATAAct@oig.treas.gov

APPENDICES

APPENDIX I – DNFSB's RESULTS OF THE DATA ELEMENTS TEST

The results are listed in descending order by accuracy error rate percentage.

File	Data Element Number	Data Element Name	Error Count			Error Rate		
			C[5]	A[6]	T[7]	C	A	T
D1	DE 26	Period of Performance Start Date	6	9	6	35%	53%	35%
C	DE 34	Award ID Number (PIID)	0	8	0	0%	47%	0%
D1	DE 14	Current Total Value of Award	6	8	6	35%	47%	35%
D1	DE 15	Potential Total Value of Award	6	8	6	35%	47%	35%
D1	DE 3	Ultimate Parent Unique Identifier	6	7	6	35%	41%	35%
D1	DE 4	Ultimate Parent Legal Entity Name	6	7	6	35%	41%	35%
D1	DE 5	Legal Entity Address	6	7	6	35%	41%	35%
D1	DE 25	Action Date	6	7	6	35%	41%	35%
D1	DE 27	Period of Performance Current End Date	6	7	6	35%	41%	35%
D1	DE 28	Period of Performance Potential End Date	6	7	6	35%	41%	35%
D1	DE 1	Awardee/Recipient Legal Entity Name	6	6	6	35%	35%	35%
D1	DE 2	Awardee/Recipient Unique Identifier	6	6	6	35%	35%	35%
D1	DE 6	Legal Entity Congressional District	6	6	6	35%	35%	35%
D1	DE 7	Legal Entity Country Code	6	6	6	35%	35%	35%
D1	DE 8	Legal Entity Country Name	6	6	6	35%	35%	35%
D1	DE 11	Federal Action Obligation	6	6	6	35%	35%	35%
D1	DE 16	Award Type	6	6	6	35%	35%	35%
D1	DE 17	NAICS Code	6	6	6	35%	35%	35%
D1	DE 18	NAICS Description	6	6	6	35%	35%	35%
D1	DE 22	Award Description	6	6	6	35%	35%	35%
D1	DE 23	Award Modification /Amendment Number	6	6	6	35%	35%	35%
D1	DE 24	Parent Award ID Number	6	6	6	35%	35%	35%
D1	DE 29	Ordering Period End Date	6	6	6	35%	35%	35%
D1	DE 30	Primary Place of Performance Address	6	6	6	35%	35%	35%
D1	DE 31	Primary Place of Performance Congressional District	6	6	6	35%	35%	35%
D1	DE 32	Primary Place of Performance Country Code	6	6	6	35%	35%	35%
D1	DE 33	Primary Place of Performance Country Name	6	6	6	35%	35%	35%
D1	DE 34	Award ID Number	6	6	6	35%	35%	35%
D1	DE 36	Action Type	6	6	6	35%	35%	35%

[5] Completeness
[6] Accuracy
[7] Timeliness

File	Data Element Number	Data Element Name	Error Count			Error Rate		
			C[5]	A[6]	T[7]	C	A	T
D1	DE 38	Funding Agency Name	6	6	6	35%	35%	35%
D1	DE 39	Funding Agency Code	6	6	6	35%	35%	35%
D1	DE 40	Funding Sub Tier Agency Name	6	6	6	35%	35%	35%
D1	DE 41	Funding Sub Tier Agency Code	6	6	6	35%	35%	35%
D1	DE 42	Funding Office Name	6	6	6	35%	35%	35%
D1	DE 43	Funding Office Code	6	6	6	35%	35%	35%
D1	DE 44	Awarding Agency Name	6	6	6	35%	35%	35%
D1	DE 45	Awarding Agency Code	6	6	6	35%	35%	35%
D1	DE 46	Awarding Sub Tier Agency Name	6	6	6	35%	35%	35%
D1	DE 47	Awarding Sub Tier Agency Code	6	6	6	35%	35%	35%
D1	DE 48	Awarding Office Name	6	6	6	35%	35%	35%
D1	DE 49	Awarding Office Code	6	6	6	35%	35%	35%
C	DE 53	Obligation	0	4	0	0%	24%	0%
C	DE 24	Parent Award ID Number	0	0	0	0%	0%	0%
C	DE 50	Object Class	0	0	0	0%	0%	0%
C	DE 51	Appropriations Account	0	0	0	0%	0%	0%
C	DE 56	Program Activity	0	0	0	0%	0%	0%

APPENDIX II – SCOPE AND METHODOLOGY

Scope

The scope of this performance audit was fiscal year 2019, first quarter financial and award data DNFSB submitted for publication on USASpending.gov, and any applicable procedures, certifications, documentation, and controls to achieve this process.

We tested all 17 records reported in File C. DNFSB did not have Financial Assistance Award and therefore File D2 and File F did not contain records. Also, we did not asses the completeness, timeliness, accuracy, and quality of File E. File E contains additional awardee attribute information the broker extracts from the SAM. Files E and F remain the responsibility of the awardee in accordance with the terms and conditions of Federal agreements; and the quality of this data remains the legal responsibility of the recipient. Therefore, the agency senior accountable official is not responsible for certifying the quality of File E and F data reported by awardees as these data are extracted from SAM and FSRS via the DATA Act broker system.

Methodology

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

- Obtained an understanding of any regulatory criteria related to DNFSB's responsibilities to report financial and award data under the DATA Act;
- Reviewed DNFSB'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 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 the records from 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 DNFSB's implementation and use of the 57 data elements/standards established by OMB and Treasury.

APPENDIX III – FEDERAL SPENDING TRANSPARENCY DATA STANDARDS
(57 standards)

Element Number	Data Element	Data Standards
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

Element Number	Data Element	Data Standards
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 IV – DATA ACT SUBMISSION REQUIREMENTS

Data Standards, Schema, and Submission

The DATA Act requires Treasury and OMB 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.1.3.1 (DAIMS, Schema), dated February 8, 2019, 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 Treasury using the DATA Act Broker[8] (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 (RSS) and the Interface Definition Document (IDD)

The DATA Act schema includes two documents that contain specifications for reporting required data — the RSS and the 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[9]. This includes appropriations account, object class, program activity, and award financial data. Federal agencies must generate and submit three files to the broker:

[8] 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).

[9] OMB memorandum M-15-12, Increasing Transparency of Federal Spending by Making Federal Spending DATA Quality for USASpending.gov.

- *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
- *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 of quality.
- ***Detail testing of FY 2019 first-quarter data submitted to the broker****:* Auditors are to test an agency's submission, which is used to populate USASpending.gov.
  - *Summary level financial data* –test summary level data for Files A and B
  - *Record level linkages* – test whether record-level linkages for Files C and D.
  - *Record level data elements* –test a statistically valid sample at the record data element level to determine the completeness, accuracy, timeliness, and overall quality of the data submitted
- ***Implementation and use of the data standards*** – review the agency's data inventory/mapping for Files A, B, C, D1 and D2 to ensure that the standardized data elements and OMB and Treasury definitions per the DAIMS are used across agency processes, systems, and applications.

APPENDIX V – CIGIE's DATE ANOMALY LETTER

Council of the
INSPECTORS GENERAL
on INTEGRITY and EFFICIENCY

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

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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 – DNFSB's MANAGEMENT COMMENT

We provided a discussion draft report to DNFSB on October 23, 2019. An exit conference was held subsequently with DNFSB on November 4, 2019. After reviewing the discussion draft, DNFSB management provided comments that have been incorporated into this report, as appropriate. DNFSB management stated their agreement with the results and recommendations in this report and opted not to provide formal comments for inclusion in this report.