



Fiscal Year 2021 Audit of the U.S. Department of
Justice's Compliance with the Digital
Accountability and Transparency
Act of 2014



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EXECUTIVE SUMMARY

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Objective

The Digital Accountability and Transparency Act of 2014 (DATA Act) requires each Office of the Inspector General to assess its department's compliance with the DATA Act. The Department of Justice Office of the Inspector General (OIG) reviewed a sample of the spending data submitted by the Department of Justice (Department or DOJ) to the Department of the Treasury's (Treasury) DATA Act broker submission system. The OIG assessed the completeness, timeliness, accuracy, and quality of the data; and the Department's implementation and use of the Government-wide data standards established by the Office of Management and Budget (OMB) and Treasury.

Results in Brief

The OIG found that the Department complied with the DATA Act. The Department generally submitted complete, timely, accurate, and higher quality-level data to the DATA Act broker submission system. However, the OIG identified two repeat areas where the Department can continue to improve its data quality. We also determined that the Department successfully implemented and used the government-wide data standards.

Recommendations

The OIG provided the Department two recommendations to improve the quality of the data it submits to the DATA Act broker submission system. The Department's response to our draft report can be found in Appendix 9, and our analysis of that response is included in Appendix 10.

Audit Results

The OIG's fiscal year 2021 audit examined DOJ spending data submitted on August 12, 2020, for the period April 1, 2020, through June 30, 2020, to determine DOJ compliance with the DATA Act. The Department's submission consisted of these required files:

A: Appropriations Account, B: Object Class and Program Activity, C: Award Financial, D1: Procurement Awards, D2: Financial Assistance Awards, E: Additional Awardee Attributes, and F: Sub-award Attributes.

Completeness, Timeliness, Accuracy, and Quality of the Data

Based on the thresholds established by the Council of the Inspectors General on Integrity and Efficiency, Federal Audit Executive Council DATA Act Compliance Guide, quality-level data consists of statistical and non-statistical methods. We determined that the Department's quality score was 87.7 out of a possible 100 points. The OIG reviewed a sample of data submitted to the DATA Act broker submission system and noted overall compliance with completeness, timeliness, and accuracy of the data. Using the error rates of the statistically selected sample units, the Department received 53.2 points out of 60 possible points; and, assigning quantifiable values to non-statistical testing, the Department received 34.5 points out of 40 possible points. Still, the OIG identified areas for improvement over data quality that includes reporting inaccuracies in file B, and system limitations in the generation of file C. The OIG had findings in these areas in its prior DATA Act audits.

Implementation and Use of the Government-wide Data Standards

The OIG determined that the DOJ implemented and used government-wide data standards in accordance with OMB and Treasury guidance.

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Introduction

Background Information

On May 9, 2014, the President signed into law the Digital Accountability and Transparency Act of 2014 (DATA Act), amending the Federal Funding Accountability and Transparency Act of 2006 (FFATA). The DATA Act amended FFATA by adding new requirements for government-wide data standards for spending information, and full publication of all spending data. The goal of the DATA Act is to provide Americans with the ability to explore, search, and better understand how the federal government spends taxpayer dollars. In addition, the DATA Act links federal spending information to federal programs, simplifies reporting requirements while improving transparency, and improves the quality of data submitted to USASpending.gov by holding agencies accountable.

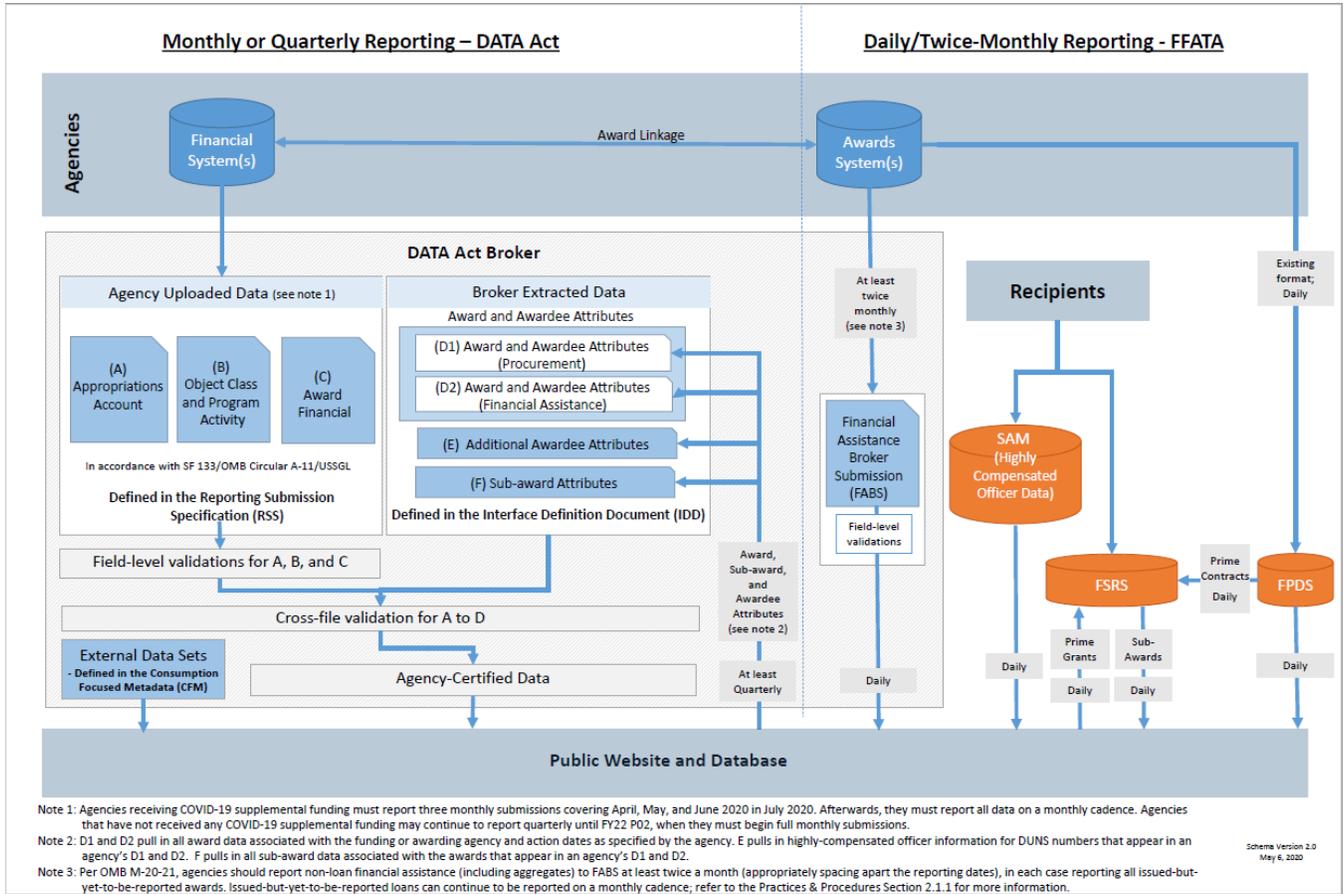
The DATA Act required the Office of Management and Budget (OMB) and the Department of the Treasury (Treasury) to jointly develop government-wide data standards for spending information. In May 2015, the OMB and Treasury published 57 data standards (commonly referred to as data elements) and required Federal agencies to report financial and award data in accordance with these standards for DATA Act reporting, beginning 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.

Treasury developed the DATA Act Information Model Schema (DAIMS), which provides technical guidance for federal agencies on the data elements, the authoritative sources of the data elements, and the reporting of the data elements. The DATA Act Information Flow Diagram in Figure 1 provides an overview of the submission of the spending data to USASpending.gov. The Department's submission consisted of these required files: A: Appropriations Account, B: Object Class and Program Activity, C: Award Financial, D1: Procurement Awards, D2: Financial Assistance Awards, E: Additional Awardee Attributes, and F: Sub-award Attributes.

Treasury also developed the DATA Act broker submission system, which is used by agencies to upload and certify financial and award data. This system is also designed to extract data from other external source systems and performs various validation rules against the data submitted. For data that does not meet these rules, a warning is provided before the agency certifies the data. A warning does not necessarily indicate there is an error but is a flag of a potential error that agencies should research and correct, if necessary.

Figure 1

DATA Act Information Flow Diagram



Source: Department of the Treasury. <https://www.fiscal.treasury.gov/data-transparency/resources.html>

The DATA Act mandates oversight by the Offices of the Inspectors General (OIG) and requires from them a series of oversight reports to include among other things, an assessment of the completeness, timeliness, accuracy, and quality of data submitted. As stated in the DATA Act, the first set of OIG reports were due to Congress in November 2016. However, this requirement presented a reporting date anomaly because federal agencies were not required to submit spending data in compliance with the DATA Act until May 2017. As a result, the OIGs were not able to review and report on the spending data submitted under the DATA Act in November 2016, as this data did not exist until the following year.

The Department of Justice (DOJ) OIG and its OIG partners, through the Council of the Inspectors General on Integrity and Efficiency (CIGIE), developed an approach to address the reporting date anomaly while maintaining early engagement with the federal agencies. CIGIE recommended a plan to provide Congress with the first required reports in November 2017, 1 year after the due date included in the statute, with subsequent reports in November 2019 and November 2021. CIGIE believed that this schedule would enable the OIGs to meet the intent of the provisions in the DATA Act by providing useful oversight and transparency, as early as possible, to the federal government's implementation of the DATA Act's requirements.

On December 22, 2015, former CIGIE Chair Michael E. Horowitz (who is also the DOJ Inspector General) issued a letter on behalf of CIGIE memorializing the recommended approach for addressing the OIG reporting date anomaly in the DATA Act and communicated it to the Senate Committee on Homeland Security and Governmental Affairs and the House Committee on Oversight and Government Reform.¹

In April 2020, OMB issued M-20-21, *Implementation Guidance for Supplemental Funding Provided in Response to Coronavirus Disease (COVID-19)*, which made changes to DATA Act reporting. Agencies that received COVID-19 supplemental relief funding were required to submit DATA Act files A, B, and C on a monthly basis starting with the June 2020 reporting period. These monthly submissions were required to also include a running total of outlays for each award in file C funded with COVID-19 supplemental relief funds.

OMB M-20-21 also added two new data elements for Federal agencies to report financial and award data. The National Interest Action (NIA) code P20C was added to the Federal Procurement Data System – Next Generation (FPDS-NG) to help identify procurement actions related to the COVID-19 response. Additionally, a disaster emergency fund code (DEFC) was now required to include covered funds in the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) that were not designated as emergency pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, in order to provide similar transparency for CARES Act funding.^{2 3} The two additional data elements are significant in promoting full and transparent reporting of financial and award data.

Previous OIG Reviews

In 2016, the DOJ OIG performed a review of the Department’s DATA Act implementation plan and its progress as of August 31, 2016, in implementing Treasury’s suggested Agency 8-Step Plan in order to evaluate whether the Department appeared to be on track to meet the requirements of FFATA, as amended. Our report, issued in December 2016, stated that nothing came to our attention that caused us to believe that a material modification should be made to the Department’s assertion that it would be ready to implement the requirements of the DATA Act by May 2017.⁴ However, we detailed five areas of concern relative to the Department’s implementation progress as of August 31, 2016, that potentially could have impacted the Department’s ability to most effectively meet all the requirements within the requisite timeframe.

In 2017, we performed an examination of the Department’s spending data submitted on May 9, 2017, for the period January 1, 2017 through March 31, 2017. Our report, issued in November 2017, found that the Department submitted complete and timely data, and the Department successfully implemented and used

¹ Appendix 7 contains a copy of this letter.

² Public Law 116-136 (March 27, 2020).

³ Public Law 99-177 (December 12, 1985).

⁴ U.S. Department of Justice Office of the Inspector General, [Review of the U.S. Department of Justice’s Readiness to Implement the Digital Accountability and Transparency Act of 2014](#), Audit Division 17-09 (December 2016).

the government-wide financial data standards.⁵ However, the OIG identified a material weakness in internal controls that contributed to the Department being materially noncompliant with standards for the quality and accuracy of the data submitted as we noted a high error rate for accuracy, estimated between 87 and 92 percent with a 95-percent confidence level.

In 2019, we performed an audit of the Department's spending data submitted on March 19, 2019, for the period October 1, 2018, through December 31, 2018. Our report, issued in November 2019, found that the Department complied with the DATA Act.⁶ The Department generally submitted complete, timely, accurate, and higher quality-level data to the DATA Act broker submission system. In addition, the Department successfully implemented and used the government-wide data standards. However, the OIG identified a deficiency in internal controls that was significant within the context of the audit objective. Specifically, we identified a deficiency that includes reporting inaccuracies in files B, C, D1 and D2; instances of non-linkage between financial and award data; and system limitations in the generation of file C. Applying a stratified sampling method, our statistical analysis results estimated, with a 95-percent confidence level, that the overall average of errors for completeness is between 5.11 and 10.76 percent; timeliness is between 14.41 and 21.64 percent; and accuracy is between 11.32 and 16.81 percent. Based on the thresholds established by the CIGIE, Federal Audit Executive Council (FAEC) DATA Act Compliance Guide, our testing determined that the Department's data was of higher quality-level. At the outset of our FY 2021 audit, the OIG had six open recommendations from the prior audits.

OIG Audit Approach

The objective of this audit was to assess the Department's compliance with the DATA Act. To accomplish this objective, our audit approach followed the FAEC DATA Act Working Group's suggested methodology found in the CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act (FAEC Guide), dated December 4, 2020. We reviewed a sampling of spending data submitted by the Department for the period of April 1, 2020, through June 30, 2020, to assess the completeness, timeliness, accuracy, and quality of the data; and the implementation and use of the data elements. [Appendix 1](#) contains additional information about our audit approach.

⁵ U.S. Department of Justice Office of the Inspector General, [Examination of the U.S. Department of Justice's Compliance with the Federal Funding Accountability and Transparency Act of 2006 as Amended by the Digital Accountability and Transparency Act of 2014](#), Audit Division 18-01 (November 2017).

⁶ U.S. Department of Justice Office of the Inspector General, [Audit of the U.S. Department of Justice's Fiscal Year 2019 Compliance with the Digital Accountability and Transparency Act of 2014](#), Audit Division 20-007 (November 2019).

Audit Results

We performed tests of the Department's spending data submitted on August 12, 2020, for the period April 1, 2020, through June 30, 2020. Based on the results of our statistical and non-statistical methods, we determined that the Department's data was of higher quality-level with a score of 87.7. The FAEC Guide provided instructions on determining quality of the data by combining the results of the statistical sample with the results of the non-statistical testing in a quality scorecard. The scorecard is formatted to calculate quality based on weighted scores of both statistical sampling results and non-statistical testing results. For the quality scorecard, statistical testing results are valued at 60 points and non-statistical testing results are valued at 40 points, for a total of 100 points. The statistical sampling result is valued slightly higher because the DATA Act requires a statistical sample of data submitted and statistical results provide stakeholders with valuable insight on that data. Table 1 provides the range and level of overall data quality. The quality scorecard was designed to provide government wide consistency in the measurement of quality through the FAEC Guide. See [Appendix 2](#) for details on the quality scorecard.

Table 1

Determination of Data Quality

Quality Level		
Range		Level
0.0	69.9	Lower
70.0	84.9	Moderate
85.0	94.9	Higher
95.0	100	Excellent

Source: CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act

Statistical Results

Using the error rates of the statistically selected sample units, the Department scored 53.2 points out of a possible 60 points on the quality scorecard. Our statistical analysis results estimated, with a 95-percent confidence level, that the overall error rates for completeness is between 5.48 and 10.83 percent; accuracy is between 8.31 and 13.51 percent; and timeliness is between 11.86 and 19.21 percent. Table 2 shows the overall Department statistical analysis results and projections to the universe for completeness, accuracy, and timeliness. [Appendix 3](#) discusses the statistical sampling design and estimation in detail.

Table 2

Overall Projections

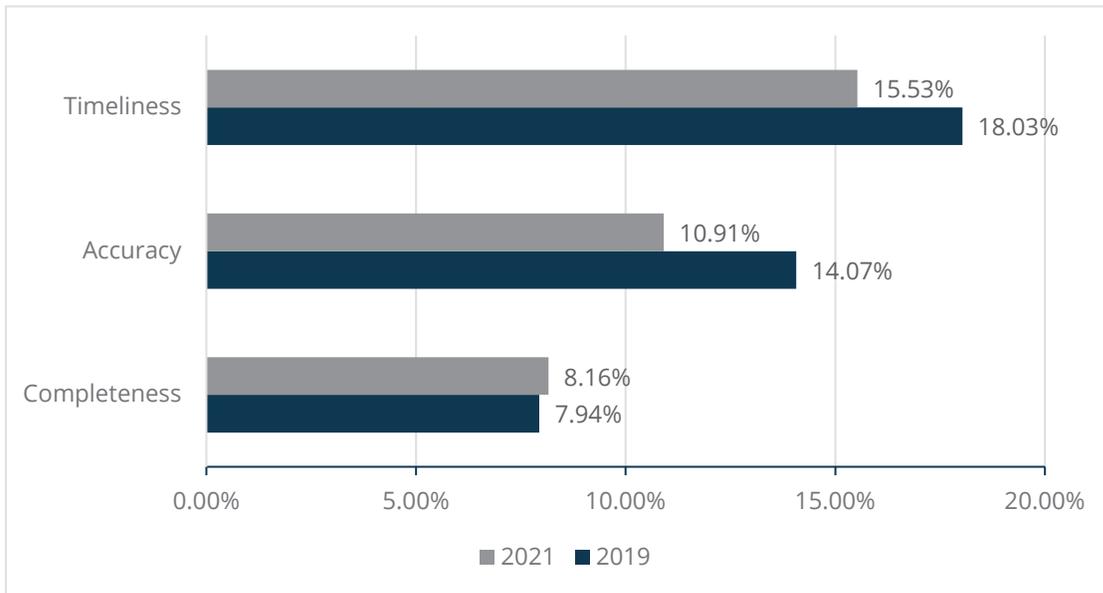
Dimension	Overall Error Rate	95% Confidence Interval of the Overall Error Rate
Completeness	8.16%	[5.48, 10.83]
Accuracy	10.91%	[8.31, 13.51]
Timeliness	15.53%	[11.86, 19.21]

Source: DOJ OIG Analysis

Comparing the results of the 226 sample units tested for the FY 2021 audit and the 318 sample units tested for the FY 2019 audit, the overall error rate improved for timeliness and accuracy, and the overall error rate for completeness increased slightly. Figure 2 highlights the overall error rate for timeliness, accuracy, and completeness between the FY 2021 and FY 2019 audits. See [Appendix 6](#) for the comparison of each year by data element.

Figure 2

Overall Error Rate FY 2021 vs FY 2019



Source: DOJ OIG Analysis

Non-Statistical Results

The non-statistical testing results scored 34.5 points out of a possible 40 points on the quality scorecard. The non-statistical section includes timeliness of agency submission, completeness of summary level data (files A and B), suitability of file C for sample selection, record-level linkages (files C and D1/D2) and COVID-19 outlay testing judgmental sample. The detailed results for the non-statistical testing:

- **Timeliness of Agency Submission** – We evaluated the Department’s spending data submitted on August 12, 2020, for the period April 1, 2020, through June 30, 2020, to Treasury’s DATA Act Broker and determined the submission was timely. We also noted that the Senior Accountable Official (SAO) certified the data timely. To be considered timely, the DATA Act submission should be submitted by the end of the following month and had to be certified by the SAO within 45 days of the end of the corresponding quarter.
- **Completeness of Summary-Level Data (files A and B)** – We performed summary-level data reconciliations and linkages for files A and B and identified instances of file B reporting inaccuracies.
- **Suitability of File C for Sample Selection** – We performed analysis over file C and determined the Department’s file C was complete and adequate to select our statistical sample.
- **Record-Level Linkages (files C and D1/D2)** – We tested the linkages between file C to file B by Treasury Account Symbol (TAS), object class, and program activity; the linkages between file C to file D1 by both the Procurement Instrument Identifier (PIID) and Parent Award ID; and the linkages between file C to file D2 by the FAIN or URI. All of the TAS, object class, and program activity data elements from file C existed in file B and all of the PIIDs/Parent Award IDs/FAINs/URIs from file C existed in File D1/D2; and all PIIDs/Parent Award IDs/FAINs/URIs in files D1/D2 existed in file C.
- **COVID-19 Outlay Testing** – We selected a judgmental sample of 45 file C COVID-19 records from the month of June 2020, that were included in the DATA Act submission. Our testing included assessing eight standardized data elements for completeness, accuracy, and timeliness. Based on our testing, we found that the file C outlays for our sample of 45 records, were 100% complete, 90.6% accurate, and 100% timely. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected.

Data Standards

We have evaluated the Department’s implement of the government-wide financial data standards for award and spending information and determined the Department is using the standards as defined by OMB and Treasury. The Department linked by common identifiers (e.g., PIID, FAIN), all the data elements in the Department’s procurement, financial, and grants systems, as applicable. For the Treasury’s DATA Act Broker files tested, we generally found that the required elements were present in the file and that the record values were presented in accordance with standards.

Additional Analysis

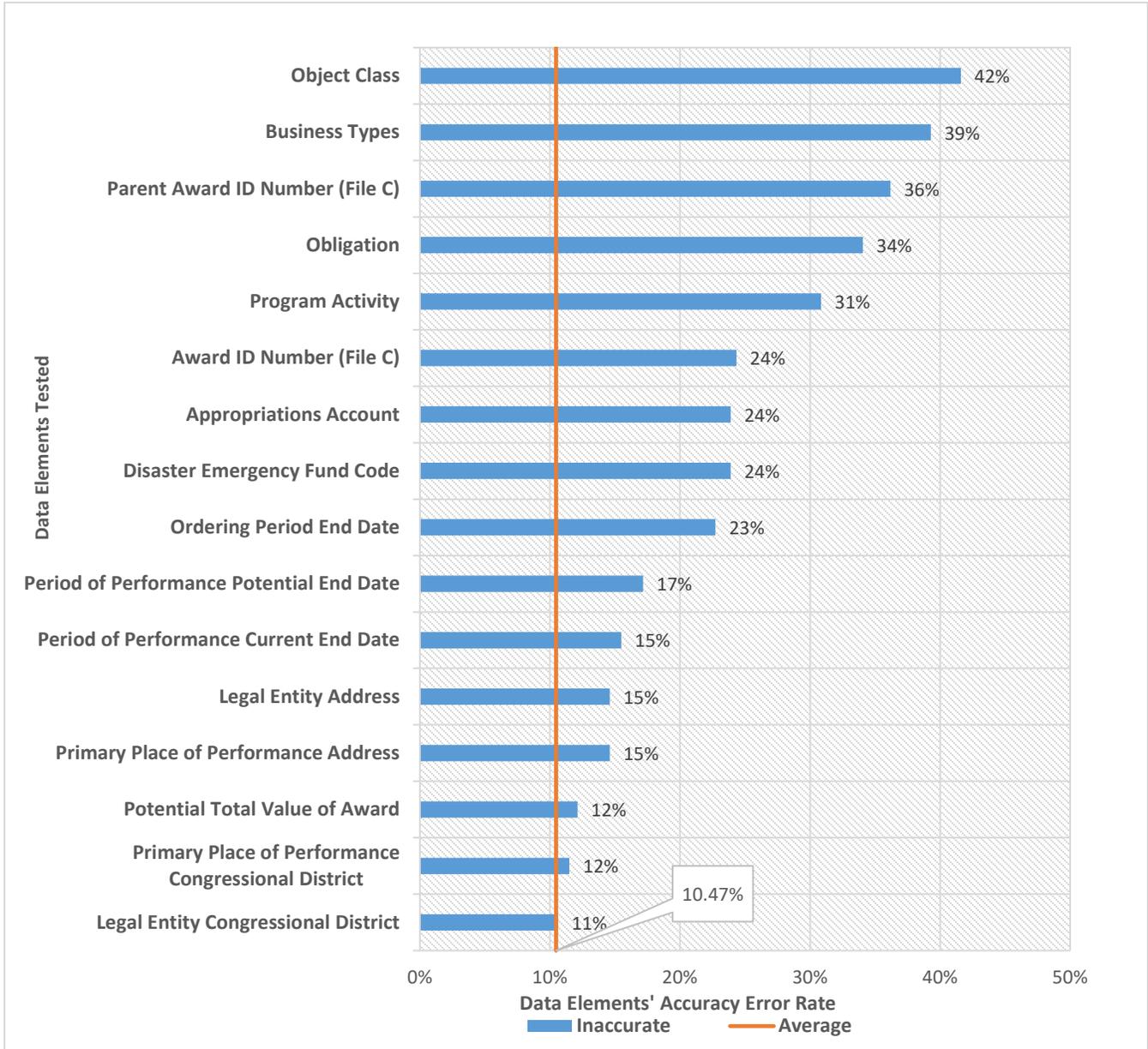
Separate from the statistical projection, using the test results of the selected 226 sample units, we calculated the error rates for each standardized data element, which can be found in [Appendix 4](#). There were several data elements that were outside the control of DOJ because they were extracted or calculated by the DATA Act broker submission system or other external source systems. Although our error rates included errors of these data elements, we have separately noted them in [Appendix 4](#).

We also did an analysis of the accuracy of dollar value related data elements. We took the absolute value of errors for the following data elements, federal action obligation, current total value of award, potential total value of award, obligation amount, amount of award, and non-federal funding amount. This analysis can be found in [Appendix 5](#).

For the 226 selected sample units, we also calculated the error rate for accuracy by data element and determined there was wide variation ranging from 0 percent to 42 percent. Figure 3 reflects the accuracy error rates by data elements for those having an error rate of 10 percent and greater.

Figure 3

Data Elements with 10 Percent or More Accuracy Error Rate



Note: The 10.47% is the average accuracy error rate of the total data elements of the sample.

Source: DOJ OIG Analysis

Conclusion and Recommendations

The OIG found that the Department complied with the DATA Act; generally submitted complete, timely, accurate, and higher quality-level data to the DATA Act broker submission system; and successfully implemented and used the government-wide data standards. However, the OIG identified two repeat areas in which the Department can continue to improve the quality of the data it submits to the DATA Act broker submission system.

File B Reporting Inaccuracies

The DAIMS v2.0 specifies that the sum of lines for each TAS in file B must equal the same line for file A. The Department's file B did not match file A for 35 of 196 TASs, resulting in an error of \$47 million for Gross Outlays; \$169 million for Obligations Incurred; and \$50 million for Deobligations, Recoveries, and Refunds.

There were accounting issues that were not corrected prior to the submission (on-top adjustments and other journal entries that were subsequently corrected in a later reporting period). A system batch process was running after the Governmentwide Treasury Account Symbol Adjusted Trial Balance System data was submitted which caused an out of balance and was later corrected in subsequent reporting periods.

System Limitations in Generation of File C

Two data elements for approximately 15,400 procurement awards reported in the Department's file C for one component were not supported by the financial management system, Financial Management Information System 2 (FMIS2). These two data elements were the Direct/Reimbursable Funding Source and the PIID. These 15,400 awards made up approximately 50% of the Department's total procurement awards reported in file C.

OMB M-18-16 Appendix A to OMB A-123, Management of Reporting and Data Integrity Risk states, "Agencies are required to report spending data for publication on USASpending.gov on a recurring schedule. The financial attributes must be generated by the agencies' financial system of record, which must include the award identifier to link to the award data reported under the requirements of FFATA, as amended."

FMIS2, the Department's legacy accounting system, does not have mechanisms to capture the PIID, nor distinguish between awards that have a Direct Funding source and awards that have a Reimbursable Funding source. The Department has weighed the costs and benefits of investing additional development into FMIS2 to address these issues. However, because FMIS2 is slated to be retired by FY 2022 and replaced by the Department's Unified Financial Management System (UFMS), the Department does not plan to invest additional funding into the system to address these issues.

We recommend that the Justice Management Division:

1. Ensure all accounting entry corrections are addressed prior to submission of file B. (*Repeat*)
2. Continue its efforts to implement UFMS in order to submit supported and accurate data. (*Repeat*)

APPENDIX 1: Objective, Scope, and Methodology

Objective

The objective of this audit was to assess the Department's compliance with the DATA Act.

Scope and Methodology

We defined the scope of our audit to assess the spending data for the period April 1, 2020, through June 30, 2020, and assess the implementation and use of the data standards. We followed the Council of the Inspectors General on Integrity and Efficiency, Federal Audit Executive Council, Inspectors General Guide to Compliance under the DATA Act, dated December 4, 2020, which includes the following procedures:

- Follow-up on prior years' audit recommendations.
- Obtain an understanding of the Department's process for creating files A: Appropriations Account; B: Object Class and Program Activity; and C: Award Financial.
- Assess the internal controls over the data extraction from the Department's source systems and the submission to the DATA Act broker submission system.
- Review the Department's certification and submission process.
- Determine timeliness of the Department's submission.
- Determine completeness of summary-level data for files A and B.
- Determine whether file C is complete and suitable for sampling.
- Select a statistically valid sample from file C.
- Test detailed record-level linkages for files C and D1/D2.
- Test detailed record-level data elements for files C and D1/D2.
- Assess the quality of the data submitted based on the results of the test work conducted.

The DOJ OIG did not audit files E: Additional Awardee Attributes, and F: Sub-Award Attributes. File E of the DATA Act Information Model Schema (DAIMS) contains additional awardee attribute information the broker extracts from the System for Award Management (SAM). File F contains sub-award attribute information the broker extracts from the FFATA Subaward Reporting System (FSRS). Files E and F data remains the responsibility of the awardee in accordance with terms and conditions of Federal agreements; and the quality of this data remains the legal responsibility of the recipient. Therefore, agency senior accountable officials are not responsible for certifying the quality of File E and F data reported by awardees, but they are responsible for assuring controls are in place to verify that awardees register in SAM at the time of the award. As such, we did not assess the completeness, timeliness, accuracy, and quality of the data extracted from SAM and FSRS via the DATA Act broker submission system for files E and F.

To determine the timeliness of the monthly submissions and the quarterly certification, we verified the Department's submission dates to the due dates established by Treasury.

We performed an evaluation of the summary-level data, files A and B, to evaluate whether the information that should have been reported in files A and B were reported, and contained all applicable data elements standardized under the DATA Act in order to verify completeness. We did not examine the underlying assumptions of the data, rather we reconciled the data to known, reliable sources. To verify accuracy, we compared the data in file A to the Department's SF-133, Report on Budget Execution and Budgetary Resources. We did not note any exceptions with this reconciliation. We then verified the accuracy of file B to the appropriation accounts listed in file A, to determine whether all appropriations were accounted for in file B. We also confirmed whether file B included all TAS by matching the main account codes and sub account codes to the records found in file A.

We performed analysis over the Department's file C to determine whether file C was complete and contains all transactions and linkages that should have been included, as well as the Department's methodology for resolving DATA Act Broker System warnings between files C and D1/D2. We determined the Department's file C was complete and its process for resolving warnings was reasonable. Therefore, we determined the Department's file C was suitable for sampling. Finally, before selecting the statistical sample, we removed rows with outlays from File C.⁷

To select a statistically valid sample of the spending data submitted by the Department, the OIG designed a stratified random sample. Using file C, we constructed a universe of 33,446 sample units made up of PIIDs (procurement awards) and FAINs (financial assistance awards). Based on a 95-percent confidence level, expected error rate of 18.03 percent, and a sampling precision of 5 percent, we calculated a sample size of 226 sample units (198 PIIDs and 28 FAINs), which is less than 1 percent of the Department's file C universe.

We applied a stratified random sampling design to ensure that the sample units were selected from each of the Department's components that submitted records for the DATA Act requirement, and stratified the universe of 33,446 sample units into nine strata based on number of components, systems used, and types of awards issued. Additionally, in order to select representative sample units of 226 from the population of 33,446, we decided to employ a disproportionate allocation and randomly selected sample units (records) based on the percentages of unique PIIDs or FAINs, rather than percentages of records submitted by component. The disproportionate allocation is an acceptable method of stratification since the goal is to estimate DOJ's overall population error rate rather than an error rate by component. Table 3 shows the sample units for each stratum.

⁷ Outlay records are those rows in file C without a transaction obligated amount (obligation). The characteristics of outlays are different than obligations, and outlays do not have a corresponding linkage to files D1/D2. Outlays are also independent in terms of timing of when one or the other might occur. Due to these unique differences and there being no statistically viable method to test both obligations and outlays together, outlays were tested separately.

Table 3

Allocation of Sample Units for each Stratum

Stratum	Component ^a	Population	Number of Unique PIID/FAIN	Percentage Population	Percentage of Unique PIIDs/FAINs	Sampling Rate	Sample Allocation of Sample Units Based on the Percentage of Unique PIIDs/FAINs
1	ATF	758	628	2%	3%	0.92%	7
2	BOP	15,446	8,486	46%	42%	0.61%	94
3	DEA	3,130	2,083	9%	10%	0.73%	23
4	FBI	1,419	1,040	4%	5%	0.78%	11
5	FPI	540	540	2%	3%	1.11%	6
6	OBDs - FMIS2	611	610	2%	3%	1.15%	7
7	OBDs - UFMS	4,075	3,365	12%	16%	0.91%	37
8	OJP	2,464	2,320	7%	11%	1.06%	26
9	USMS	5,003	1,369	15%	7%	0.30%	15
Grand Total		33,446	20,441	100%	100%	0.68%	226

^a Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF); Federal Bureau of Prisons (BOP); Drug Enforcement Administration (DEA); Federal Bureau of Investigation (FBI); Federal Prison Industries (FPI); Offices, Boards and Divisions (OBDs); Office of Justice Programs (OJP); United States Marshals Service (USMS)

Source: DOJ OIG Analysis

Next, we performed detailed testing to evaluate the linkage of the award-level data, file C to files D1 or D2, in order to determine if the transactions linked to the procurement or financial assistance awards for the 226 sample units. Also, we compared the data elements in files C, D1, and D2 to the source systems and source documents, in order to determine completeness, timeliness, and accuracy of the data elements reported for each award.

For each of the 226 sample units selected from file C, we evaluated approximately 50 standardized data elements. These data elements may have also contained sub-elements (e.g., Legal Entity Address would contain the sub-elements titled Legal Entity Address, Legal Entity City Name, Legal Entity State Code, and Legal Entity Zip+4).

The statistical analysis was designed to estimate, with a 95 percent level of confidence the overall DOJ rate of errors for completeness, timeliness, and accuracy by weighing the specific dimension's error rates of each stratum using widely-used statistical techniques. The stratified sampling test results of error rates for each

of the nine strata within each of the three dimensions were weighted together to arrive at DOJ's overall error point estimates and confidence intervals.

Separate from the statistical projection, using the test results of the selected 226 sample units, we calculated the error rates for each standardized data element, which can be found in [Appendix 4](#). There were several data elements that were outside the control of DOJ because they were extracted or calculated by the DATA Act broker submission system or other external source systems. Although our error rates included errors of these data elements, we have separately noted them in [Appendix 4](#).

In addition, we selected a judgmental sample of 45 sample units from the file C outlay records from the month of June 2020 and tested COVID-19 outlay records. We tested eight standardized data elements for completeness, accuracy, and timeliness. We also obtained the financial transaction history for the sample unit to ensure the correct cumulative amount was reported in the File C. As a result of the COVID-19 pandemic response, we performed our audit fieldwork exclusively in a remote manner.

During this audit, we determined that the Department sufficiently progressed in its corrective actions to close four of the six previously identified recommendations (see Appendix 8). The Audit Results section of this report describes our findings relative to the remaining two recommendations.

Statement on Compliance with Generally Accepted Government Auditing Standards

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

Internal Controls

In this audit, we performed testing of internal controls significant within the context of our audit objective. We did not evaluate the internal controls of the Department to provide assurance on its internal control structure as a whole. The Department management is responsible for the establishment and maintenance of internal controls in accordance with OMB Circular A-123. Because we do not express an opinion on the Department's internal control structure as a whole, we offer this statement solely for the information and use of the Department.⁸

We consulted with GAO's Standards for Internal Control in the Federal Government to assess the Department's internal controls over the data extraction from the Department's source systems and the submission to the DATA Act broker submission system by obtaining and documenting our understanding of the five components of internal control and 17 related principles significant to the audit objectives.⁹

⁸ This restriction is not intended to limit the distribution of this report, which is a matter of public record.

⁹ GAO-14-704G, Standards for Internal Control in the Federal Government (September 10, 2014).

The internal control deficiencies we found are discussed in the Audit Results section of this report. However, because our review was limited, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

Compliance with Laws and Regulations

In this audit we also tested, as appropriate given our audit objective and scope, selected transactions, records, procedures, and practices, to obtain reasonable assurance that the Department's management complied with federal laws and regulations for which noncompliance, in our judgment, could have a material effect on the results of our audit. Our audit included examining, on a test basis, the Department's compliance with the following laws that could have a material effect on the Department's operations:

- Public Law 113-101 Digital Accountability and Transparency Act of 2014
- Public Law 109-282 Federal Funding Accountability and Transparency Act of 2006

This testing included reviewing a statistically valid sampling of spending data submitted by the Department for the period April 1, 2020, through June 30, 2020. However, nothing came to our attention that caused us to believe that the Department was not in compliance with the aforementioned laws.

Sample-based Testing

We employed a statistically valid sample in order to assess the accuracy, completeness, and timeliness of the DOJ submission of award-level transactions that were obligated or modified for the period April 1, 2020, through June 30, 2020. See [Appendix 3](#) for details on the sampling design and estimation plan. This statistical sample design allowed projection of the test results to the universe from which the samples were selected.

In addition to the statistically valid sample, we selected a judgmental sample from the outlay records from the month of June 2020 and tested COVID-19 outlay records. This non-statistical sample design did not allow projection of the test results to the universe from which the samples were selected.

Computer-Processed Data

During our audit, we obtained information from the UFMS, FMIS2, and SAP S/4 Enterprise Resource Planning System. We did not test the reliability of those systems as a whole, therefore any findings identified involving information from those systems were verified with documentation from other sources.

APPENDIX 2: Quality Scorecard

FY 2021 DATA Act Quality Scorecard			
	Criteria	Score	Maximum Points Possible
Non-Statistical	Timeliness of Agency Submission	<i>5.0</i>	<i>5.0</i>
	Completeness of Summary Level Data (Files A & B)	<i>6.7</i>	<i>10.0</i>
	Suitability of File C for Sample Selection	<i>9.0</i>	<i>10.0</i>
	Record-Level Linkages (Files C & D1/D2)	<i>6.2</i>	<i>7.0</i>
	COVID-19 Outlay Testing Non-Statistical Sample	<i>7.6</i>	<i>8.0</i>
Statistical	Completeness	<i>13.8</i>	<i>15.0</i>
	Accuracy	<i>26.7</i>	<i>30.0</i>
	Timeliness	<i>12.7</i>	<i>15.0</i>
Quality Score	Higher	87.7	100.0

Source: DOJ OIG Analysis from the FAEC CIGIE Guide

APPENDIX 3: Statistical Sampling Design and Estimation

The statistical sampling universe for our model was defined as 33,446 sample units (records) of award-level transactions that were obligated or modified for the period April 1, 2020, through June 30, 2020, and submitted for the DATA Act requirement of the department. Using a 95 percent confidence level, a 5 percent sampling precision, and an expected error rate of 18.03% from the OIG's 2019 DATA Act testing results, the minimum sample size was determined to be 226.

The universe was stratified into nine strata, one for each DOJ component that submitted sample units. We used each stratum's percentage of unique Procurement Instrument Identifier (PIID) and Federal Award Identification Number (FAIN) to allocate the sample size of 226 rather than the percentages of stratum sample units in order to select representative sample units from each of the components. The allocated sizes of these strata are denoted by N_h with $h=1, 2 \dots L$, where N_h is the total number of sample units in a stratum and $L=9$ is the number of strata. A random sample was selected independently from each of the nine strata. The table 4 below provides details of the nine strata.

Table 4

Strata Information

Stratum	Component	Sample Unit	Number of Unique PIID/FAIN	Percentage of Sample Units	Percentage of Unique PIIDs/FAINs	Sampling Rate	Sample Size
N_1	ATF	758	628	2%	3%	0.92%	7
N_2	BOP	15,446	8,486	46%	42%	0.61%	94
N_3	DEA	3,130	2,083	9%	10%	0.73%	23
N_4	FBI	1,419	1,040	4%	5%	0.78%	11
N_5	FPI	540	540	2%	3%	1.11%	6
N_6	OBDs-FMIS2	611	610	2%	3%	1.15%	7
N_7	OBDs - UFMS	4,075	3,365	12%	16%	0.91%	37
N_8	OJP	2,464	2,320	7%	11%	1.06%	26
N_9	USMS	5,003	1,369	15%	7%	0.30%	15
Total		33,446	20,441	100%	100%	0.68%	226

Source: DOJ OIG Analysis

To arrive at the results, the mathematical model notations, and formulae used to compute unbiased estimates of error rates, variance, standard error, and the confidence interval with stratified sampling are as follows:¹⁰

N = the total number of sample units (records) in the population

L = the number of strata

h = strata subscript, $h = 1, 2, \dots, L$

N_h = the total number of sample units (records) in stratum h

n = the size of selected sample units (records) from the population

n_h = the number of sample units (records) sampled in stratum h

i = subscript for selected sample units (records), $i = 1, 2, \dots, n_h$

m_i = the number of applicable data elements in a selected sample unit

a_i = the number of data elements with a failed test in a selected sample unit

p_i = the percentage of data elements in error for a sample unit. Errors are calculated for accuracy, completeness, and timeliness.

Let $p_i = \frac{a_i}{m_i}$ The error rate for a selected sample unit

$\hat{p}_h = \frac{\sum p_{ih}}{n_h}$ The average error rate for stratum h

$w_h = \frac{N_h}{N}$ The stratum weight

$\hat{p}_{st} = \sum_{h=1}^L (w_h)(\hat{p}_h)$ The stratified sampling point estimate

¹⁰ Cochran, "Sampling Techniques", third edition.

$$f_h = \frac{n_h}{N_h} \text{ The sampling fraction for stratum } h$$

$$V(\hat{p}_h) = \frac{1-f_h}{n_h} \frac{\sum(p_{ih}-\hat{p}_h)^2}{(n_h-1)} \text{ The variance for stratum } h$$

$$V\hat{a}r(\hat{p}_{st}) = \sum_{h=1}^L (w_h^2 V(\hat{p}_h)) \text{ The stratified sampling variance}$$

$$SE(\hat{p}_{st}) = \sqrt{\hat{v}ar(\hat{p}_{st})} \text{ The standard error}$$

$$\hat{p}_{st} \pm z_{\alpha/2} SE(\hat{p}_{st}) \text{ The confidence interval estimate}$$

The 95% confidence interval of the average error rate estimate is given by:

$$\hat{p}_{st} \pm 1.96 * SE(\hat{p}_{st})$$

Using the above-mentioned stratified sampling estimation methodology, we used SAS Enterprise Guide software to compute the estimations based on the test results conducted by auditors. The report generated from SAS with the estimation results are on the following pages.

Figure 4

Analysis of DOJ DATA Act Test Results for Stratified SRS

The SURVEYMEANS Procedure	
Data Summary	
Number of Strata	9
Number of Clusters	226
Number of Observations	226
Sum of Weights	33446

Stratum Information							
Stratum Index	Stratum	Pop. Total	Sampling Rate	N Obs	Variable	N	Clusters
1	1	758	0.92%	7	ErrorRateIncomplete	7	7
					ErrorRateInaccurate	7	7
					ErrorRateUntimely	7	7
2	2	15446	0.61%	94	ErrorRateIncomplete	94	94
					ErrorRateInaccurate	94	94
					ErrorRateUntimely	94	94
3	3	3130	0.73%	23	ErrorRateIncomplete	23	23
					ErrorRateInaccurate	23	23
					ErrorRateUntimely	23	23
4	4	1419	0.78%	11	ErrorRateIncomplete	11	11
					ErrorRateInaccurate	11	11
					ErrorRateUntimely	11	11
5	5	540	1.11%	6	ErrorRateIncomplete	6	6
					ErrorRateInaccurate	6	6
					ErrorRateUntimely	6	6
6	6	611	1.15%	7	ErrorRateIncomplete	7	7
					ErrorRateInaccurate	7	7
					ErrorRateUntimely	7	7
7	7	4075	0.91%	37	ErrorRateIncomplete	37	37
					ErrorRateInaccurate	37	37
					ErrorRateUntimely	37	37
8	8	2464	1.06%	26	ErrorRateIncomplete	26	26
					ErrorRateInaccurate	26	26
					ErrorRateUntimely	26	26
9	9	5003	0.30%	15	ErrorRateIncomplete	15	15
					ErrorRateInaccurate	15	15
					ErrorRateUntimely	15	15

The SURVEYMEANS Procedure					
Statistics					
Variable	DF	Mean	Std Error of Mean	95% CL for Mean	
ErrorRateIncomplete	217	0.081555	0.013569	0.05481115	0.10829787
ErrorRateInaccurate	217	0.109135	0.013196	0.08312650	0.13514380
ErrorRateUntimely	217	0.155343	0.018653	0.11857861	0.19210716

Source: DOJ OIG Analysis

APPENDIX 4: Results of Sample Testing by Data Element

DOJ's Results for Data Elements <i>(in descending order by accuracy error rate)</i>			Sample Error Rate ^a		
Data Element Name ^b	File(s)	Data Element #	Accuracy	Completeness	Timeliness
Object Class	C	DE 50	42%	24%	24%
Business Types	D2	DE 37	39%	0%	11%
Parent Award ID Number	C	DE 24	36%	36%	36%
Obligation	C	DE 53	34%	24%	24%
Program Activity	C	DE 56	31%	31%	31%
Award ID Number	C	DE 34	24%	24%	24%
Disaster Emergency Fund Code	C	DE 430	24%	24%	24%
Appropriations Account	C	DE 51	24%	24%	24%
Ordering Period End Date	D1	DE 29	23%	23%	23%
Period of Performance Potential End Date	D1/D2	DE 28	17%	5%	16%
Period of Performance Current End Date	D1/D2	DE 27	15%	4%	15%
Primary Place of Performance Address	D1/D2	DE 30	15%	4%	15%
Legal Entity Address ^c	D1	DE 5	15%	4%	15%
Potential Total Value of Award	D1/D2	DE 15	12%	5%	16%
Primary Place of Performance Congressional District	D1/D2	DE 31	12%	4%	15%
Legal Entity Congressional District ^d	D1/D2	DE 6	11%	6%	16%
Action Type	D1/D2	DE 36	9%	5%	14%
Action Date	D1/D2	DE 25	9%	4%	15%
Period of Performance Start Date	D1	DE 26	9%	4%	15%
Ultimate Parent Legal Entity Name	D1/D2	DE 4	9%	4%	15%
Parent Award ID Number	D1/D2	DE 24	8%	6%	17%
Current Total Value of Award	D2	DE 14	8%	5%	16%
Award Description	D1	DE 22	8%	4%	15%
Award Type	D1	DE 16	7%	5%	15%
NAICS Code	D1/D2	DE 17	7%	5%	16%
Funding Office Code	D1	DE 43	6%	4%	15%
National Interest Action	D1	DE 163	6%	5%	16%
NAICS Description	D1/D2	DE 18	6%	5%	16%
Federal Action Obligation	D1/D2	DE 13	6%	4%	15%
Awardee/Recipient Unique Identifier	D1/D2	DE 2	6%	4%	15%

Ultimate Parent Unique Identifier	D1/D2	DE 3	6%	4%	15%
Awardee/Recipient Legal Entity Name	D1/D2	DE 1	5%	4%	15%
Funding Office Name	D1	DE 42	5%	4%	15%
Award Modification / Amendment Number	D1/D2	DE 23	5%	4%	15%
Primary Place of Performance Country Code	D1/D2	DE 32	4%	4%	15%
Primary Place of Performance Country Name	D1/D2	DE 33	4%	4%	15%
Award ID Number	D1/D2	DE 34	4%	4%	15%
Funding Agency Name	D1/D2	DE 38	4%	4%	15%
Funding Agency Code	D1/D2	DE 39	4%	4%	15%
Funding Sub Tier Agency Name	D1/D2	DE 40	4%	4%	15%
Funding Sub Tier Agency Code	D1/D2	DE 41	4%	4%	15%
Awarding Agency Name	D1/D2	DE 44	4%	4%	15%
Awarding Agency Code	D1/D2	DE 45	4%	4%	15%
Awarding Sub Tier Agency Name	D1/D2	DE 46	4%	4%	15%
Awarding Sub Tier Agency Code	D1/D2	DE 47	4%	4%	15%
Awarding Office Name	D1/D2	DE 48	4%	4%	15%
Awarding Office Code	D1/D2	DE 49	4%	4%	15%
Legal Entity Country Code	D1/D2	DE 7	4%	4%	15%
Legal Entity Country Name	D1/D2	DE 8	4%	4%	15%
Amount of Award	D2	DE 11	0%	0%	11%
Non-Federal Funding Amount	D2	DE 12	0%	0%	0%
CFDA Number	D2	DE 19	0%	0%	11%
CFDA Title	D2	DE 20	0%	0%	11%
Record Type	D2	DE 35	0%	0%	11%

Notes: The sample included 198 PIIDs and 28 FAINs (excludes COVID-19 outlays).

^a These error rates do not reflect projected error rates to the population, but error rates from the sample alone.

^b The data elements are defined at <https://fiscal.treasury.gov/files/data-transparency/federal-spending-transparency.pdf>.

^c For the Legal Entity Address, 10% of the accuracy error rate is due to FPDS-NG automatically linking the address to the Parent Award, even though the contractor address was subsequently updated in the System for Award Management.

^d For the Legal Entity Congressional District, 6% of the accuracy error rate is due to third party system error.

Source: DOJ OIG Analysis

APPENDIX 5: Results of Sample Testing for Dollar Value Data Elements

PIID/FAIN	Data Element	Accurate	Not Accurate	Not Applicable	Total Tested	Error Rate	Absolute Value of Errors
PIID	Federal Action Obligation	185	13	0	198	7%	\$69,953
PIID	Current Total Value of Award	182	16	0	198	8%	\$245,715
PIID	Potential Total Value of Award	174	24	0	198	12%	\$2,626,330
PIID	Obligation Amount	121	77	0	198	39%	\$2,240,503
FAIN	Amount of Award	28	0	0	28	0%	\$0
FAIN	Non-Federal Funding Amount	21	0	7	28	0%	\$0
FAIN	Federal Action Obligation	28	0	0	28	0%	\$0
FAIN	Obligation Amount	28	0	0	28	0%	\$0

Source: DOJ OIG Analysis

APPENDIX 6: Data Element Tested Comparison for FY 2021 and FY 2019

Data Element	Data Element Description (PIID/FAIN)	PIID/FAIN	2021 Percentage of Inaccurate	2019 Percentage of Inaccurate	Accuracy Error Rate Percent Change
DE 50	Object Class	PIID and FAIN	42%	53%	-22%
DE 37	Business Types ^a	FAIN	39%	0%	39%
DE 24	Parent Award ID Number (File C)	PIID	36%	20%	82%
DE 53	Obligation	PIID and FAIN	34%	29%	18%
DE 56	Program Activity	PIID and FAIN	31%	21%	44%
DE 34	Award ID Number (File C)	PIID and FAIN	24%	12%	104%
DE 430	Disaster Emergency Fund Code ^b	PIID and FAIN	24%	n/a	n/a
DE 51	Appropriations Account	PIID and FAIN	24%	8%	192%
DE 29	Ordering Period End Date ^a	PIID	23%	0%	23%
DE 28	Period of Performance Potential End Date	PIID	17%	30%	-43%
DE 27	Period of Performance Current End Date	PIID and FAIN	15%	30%	-49%
DE 30	Primary Place of Performance Address	PIID and FAIN	15%	37%	-61%
DE 5	Legal Entity Address	PIID and FAIN	15%	16%	-7%
DE 15	Potential Total Value of Award	PIID	12%	13%	-5%
DE 31	Primary Place of Performance Congressional District	PIID and FAIN	12%	30%	-62%
DE 6	Legal Entity Congressional District	PIID and FAIN	11%	13%	-20%
DE 36	Action Type	PIID and FAIN	9%	17%	-45%
DE 25	Action Date	PIID and FAIN	9%	14%	-36%
DE 26	Period of Performance Start Date	PIID and FAIN	9%	23%	-59%
DE 4	Ultimate Parent Legal Entity Name	PIID and FAIN	9%	16%	-45%
DE 24	Parent Award ID Number (File D1)	PIID	8%	15%	-44%
DE 14	Current Total Value of Award	PIID	8%	13%	-39%
DE 22	Award Description	PIID and FAIN	8%	18%	-55%
DE 16	Award Type	PIID and FAIN	7%	12%	-42%
DE 17	NAICS Code	PIID	7%	18%	-61%
DE 43	Funding Office Code	PIID and FAIN	6%	14%	-56%
DE 163	National Interest Action ^b	PIID	6%	n/a	n/a

DE 18	NAICS Description	PIID	6%	18%	-66%
DE 13	Federal Action Obligation	PIID and FAIN	6%	9%	-37%
DE 2	Awardee/Recipient Unique Identifier	PIID and FAIN	6%	9%	-39%
DE 3	Ultimate Parent Unique Identifier	PIID and FAIN	6%	14%	-58%
DE 1	Awardee/Recipient Legal Entity Name	PIID and FAIN	5%	10%	-47%
DE 42	Funding Office Name	PIID and FAIN	5%	44%	-88%
DE 23	Award Modification / Amendment Number	PIID and FAIN	5%	9%	-48%
DE 32	Primary Place of Performance Country Code	PIID and FAIN	4%	9%	-53%
DE 33	Primary Place of Performance Country Name	PIID and FAIN	4%	9%	-53%
DE 34	Award ID Number (File D)	PIID and FAIN	4%	9%	-51%
DE 38	Funding Agency Name	PIID and FAIN	4%	9%	-51%
DE 39	Funding Agency Code	PIID and FAIN	4%	9%	-51%
DE 40	Funding Sub Tier Agency Name	PIID and FAIN	4%	10%	-56%
DE 41	Funding Sub Tier Agency Code	PIID and FAIN	4%	10%	-56%
DE 44	Awarding Agency Name	PIID and FAIN	4%	9%	-51%
DE 45	Awarding Agency Code	PIID and FAIN	4%	9%	-51%
DE 46	Awarding Sub Tier Agency Name	PIID and FAIN	4%	10%	-56%
DE 47	Awarding Sub Tier Agency Code	PIID and FAIN	4%	10%	-56%
DE 48	Awarding Office Name	PIID and FAIN	4%	43%	-90%
DE 49	Awarding Office Code	PIID and FAIN	4%	12%	-62%
DE 7	Legal Entity Country Code	PIID and FAIN	4%	9%	-51%
DE 8	Legal Entity Country Name	PIID and FAIN	4%	9%	-51%
DE 11	Amount of Award	FAIN	0%	0%	0%
DE 12	Non-Federal Funding Amount	FAIN	0%	0%	0%
DE 19	CFDA Number	FAIN	0%	0%	0%
DE 20	CFDA Title	FAIN	0%	0%	0%
DE 35	Record Type	FAIN	0%	0%	0%

^a The information is being provided for illustrative purposes only and may not necessarily be indicative of actual percent change as 2019 has a zero-error rate.

^b There were two new data elements added for FY 2021, Disaster Emergency Fund Code and National Interest Action.

Source: DOJ OIG Analysis

APPENDIX 7: CIGIE Letter to Congress Addressing the DATA Act Reporting Date Anomaly



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 8: Status of Prior Years' Findings and Recommendations

As required by *Government Auditing Standards* issued by the Comptroller General of the United States we have evaluated whether the Department has taken the appropriate corrective action to address the findings and recommendations from the prior years' DATA Act audits that could have a significant impact to the audit objectives. The following table provides the Office of the Inspector General report number where the deficiencies were reported, our recommendations for improvement, and the status of the previously identified deficiencies and recommendations as of the end of fiscal year 2021.

Report	Deficiency	Recommendations	Status
FY 2017 Examination of the U.S. DOJ's Compliance with the FFATA of 2006, as Amended by the DATA Act of 2014 Report No. 18-01	Improvements Needed over Data Quality	Recommendation No. 2: Ensure Department components are aware of and are following the reporting timelines for FPDS-NG as required by the FAR for procurement awards.	Completed
		Recommendation No. 3: Ensure all accounting entry corrections are addressed prior to submission of file B.	In Process (see Recommendation No. 1 in this report)
		Recommendation No. 6: Continue to review and correct, as necessary, all validation warnings generated by the DATA Act broker submission system prior to submission and SAO certification, to ensure that the data submitted is accurate, and in compliance with the DAIMS instructions.	Completed
		Recommendation No. 7: Continue its efforts to implement UFMS in order to submit supported and accurate data.	In Process (see Recommendation No. 2 in this report)

Report	Deficiency	Recommendations	Status
Audit of the U.S. DOJ's FY 2019 Compliance with the DATA Act of 2014 Report No. 20-007	Improvements Needed over Data Quality	Recommendation No. 2: Establish control activities to ensure sufficient field lengths, as permitted by the DAIMS, are used for the consolidated files, and perform additional edit checks in the consolidation process to ensure that data from the component files are accurately and completely captured in the consolidated files.	Completed
		Recommendation No. 5: Instruct Department contracting officers and grant officials on the definitions of the data elements and their proper recording in FPDS-NG and FABS and emphasize the importance of accurately inputting data into FPDS-NG and FABS.	Completed

APPENDIX 9: Justice Management Division's Response to the Draft Report



U.S. Department of Justice

Washington, D.C. 20530

October 05, 2021

MEMORANDUM FOR JASON R MALMSTROM
ASSISTANT INSPECTOR GENERAL
FOR AUDIT

FROM: Lee J. Lofthus
Assistant Attorney General
for Administration

Lee Lofthus Date: 2021.10.05
09:41:49 -04'00'

SUBJECT: Response to Recommendations contained in the Office of the Inspector General (OIG) Draft Report *Audit of the US. Department of Justice's Fiscal Year 2021 Compliance with the Digital Accountability and Transparency Act of 2014*

This Memorandum responds to the OIG draft report titled *Audit of the US. Department of Justice's Fiscal Year 2021 Compliance with the Digital Accountability and Transparency Act of 2014*.

The Justice Management Division (JMD) recognizes the importance of ensuring the quality and accuracy of data submitted in compliance with the Digital Accountability and Transparency Act of 2014 (DATA Act) and appreciates the collaborative and respectful approach taken by your staff during the audit. JMD concurs with the OIG's findings.

Since the initial 2017 DATA Act reporting submissions, JMD has worked with Departmental components to design, document, and deploy process improvements that address recommendations from the first OIG DATA Act audit report and implement sound controls for the Department's reporting of spending activity. The data quality improvements since 2019 indicate the success of this approach. In addition, JMD has published a DATA Act Data Quality Plan (DQP) in accordance with the Office of Management and Budget (OMB) Memorandum M-18-16, *Appendix A to OMB Circular A-123, Management of Reporting Data Integrity Risk*. This DQP addresses many of the data reporting and internal control issues and risks identified by the original OIG audit. The latest version of the DQP, targeted for November 2021, will include corrective action plans targeting the findings and recommendations from the OIG's 2021 draft audit report.

JMD reviewed this draft audit report and have prepared the following responses to the two recommendations it contains.

OIG Recommendation File B Reporting Accuracies:

Ensure all accounting entry corrections are addressed prior to submission of file B.

Response: JMD concurs with this recommendation. As part of a corrective action strategy, JMD will be working with components on ways to proactively identify any discrepancies between adjusted trial balances and the financial system's general ledger, in advance of DATA Act reporting. Our notional timeframe for completion of this is Spring 2022, after completion of the DOJ component's migration to the Unified Financial Management System (UFMS).

OIG Recommendation System Limitations in Generation of File C:

Continue its efforts to implement UFMS in order to submit supported and accurate data.

Response: JMD concurs with this recommendation. The migration of remaining component to UFMS (with the exception of the Federal Prison Industries) is planned for October 2021.

APPENDIX 10: Office of the Inspector General Analysis and Summary of Actions Closing the Audit Report

The OIG provided a draft of this audit report to the Justice Management Division (JMD). JMD's response is incorporated in [Appendix 9](#) of this final report. In response to our audit report, JMD concurred with our recommendations and discussed the actions it will implement in response to our findings. This report contains two repeat recommendations. As such, we are closing the recommendations in this report and tracking the status of corrective action through the FY 2017 Examination of the U.S. Department of Justice's Compliance with the Federal Funding Accountability and Transparency Act of 2006, as Amended by the Digital Accountability and Transparency Act of 2014. As a result, the status of the audit report is closed.

Recommendations for JMD:

1. Ensure all accounting entry corrections are addressed prior to submission of file B. (Repeat)

Closed. JMD concurred with our recommendation. JMD stated in its response that it will work with its components on ways to proactively identify any discrepancies between the adjusted trial balance and the financial system's general ledger, in advance of DATA Act reporting. JMD stated it plans to complete this in Spring 2022 after the UFMS migration is complete. Because this is a repeat recommendation, we are closing this recommendation and tracking the status of corrective action through recommendation No. 3 of the FY 2017 Examination of the U.S. Department of Justice's Compliance with the Federal Funding Accountability and Transparency Act of 2006, as Amended by the Digital Accountability and Transparency Act of 2014 ([OIG Report No. 18-01](#)).

2. Continue its efforts to implement UFMS in order to submit supported and accurate data. (Repeat)

Closed. JMD concurred with our recommendation. JMD stated in its response that it continues to remain on track to implement the remaining component to UFMS by October 2021. Because this is a repeat recommendation, we are closing this recommendation and tracking the status of corrective action through recommendation No. 7 of the FY 2017 Examination of the U.S. Department of Justice's Compliance with the Federal Funding Accountability and Transparency Act of 2006, as Amended by the Digital Accountability and Transparency Act of 2014 ([OIG Report No. 18-01](#)).