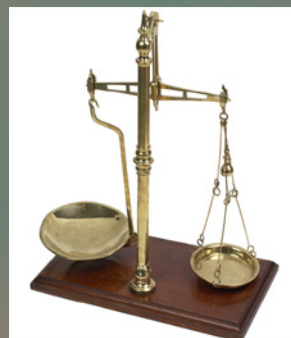


# U.S. International Trade Commission

## *Digital Accountability and Transparency Act Readiness Review*



**OIG-MR-17-08**

**January 6, 2017**



Office of Inspector General

*The U.S. International Trade Commission is an independent, nonpartisan, quasi-judicial federal agency that provides trade expertise to both the legislative and executive branches of government, determines the impact of imports on U.S. industries, and directs actions against certain unfair trade practices, such as patent, trademark, and copyright infringement. USITC analysts and economists investigate and publish reports on U.S. industries and the global trends that affect them. The agency also maintains and publishes the Harmonized Tariff Schedule of the United States.*

#### *Commissioners*

*Irving A. Williamson, Chairman  
David S. Johanson, Vice Chairman  
Dean A. Pinkert  
Meredith M. Broadbent  
F. Scott Kieff  
Rhonda K. Schmidlein*



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## UNITED STATES INTERNATIONAL TRADE COMMISSION

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WASHINGTON, DC 20436

January 6, 2017

IG-PP-001

Chairman Williamson:

Attached for your information is the final report, Digital Accountability and Transparency Act Readiness Review, OIG-MR-17-08. This assessment focused on the Commission's efforts to complete the first four steps of the *DATA Act Implementation Playbook Version 2.0*, which focus on understanding and managing our data. This readiness review determined that the Commission is not on track to meet the requirements to meet the requirements of the Digital Accountability and Transparency Act.

This report contains four recommendations to increase the Commission's likelihood of successfully meeting the reporting requirements of the DATA Act. In the next 30 days, please provide me with your management decisions describing the specific actions that you will take to implement each recommendation.

Thank you for the courtesies extended to my office during this review.

Sincerely,

Philip M. Heneghan  
Inspector General

**U.S. International Trade Commission**  
**Management Report**

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# U.S. International Trade Commission

## Management Report

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### Background

The Digital Accountability and Transparency Act of 2014 (The Act) was passed in May 2014 to improve the transparency, reliability, and accessibility of federal spending information. The Act required the Office of Management and Budget along with the Department of Treasury to establish government-wide data standards to ensure federal spending information is presented consistently and can be compared across the government. The Act requires agencies to use the common government-wide data standards and post procurement information publicly to USAspending.gov by May 2017.

The Act also requires the Inspector General to provide a series of reports to assess the completeness, timeliness, quality, and accuracy of the data submitted by their agency. The Council of Inspectors General on Integrity and Efficiency recommended each Office of Inspector General perform a DATA Act Readiness Review to assess and report on their agency's efforts to implement the requirements of the Act.

On June 24, 2016, the Department of Treasury issued the *DATA Act Implementation Playbook, Version 2.0* (Playbook) to provide guidance to agencies on meeting the requirements of the Act. The Playbook describes eight key steps that, will help leverage existing capabilities and drive implementation of the Act.

The implementation approach in the Playbook focuses on managing data, so it can be collected and compiled from different sources and then generated into a computer-readable format, making it easier to extract and analyze.

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### Results of Review

The objective of this review was to answer the question:

Is the Commission on track to meet the requirements of the DATA Act?

No. The Commission is not on track to meet the requirements of the DATA Act.

We performed the readiness review assessment to examine the Commission's efforts on completing the first four steps of the Playbook, which focus on understanding and managing our data.

We found that the Commission was relying too heavily on its shared service provider Interior Business Center (IBC) to meet the reporting requirements of the DATA Act. Accordingly, the Commission had not fully considered agency-specific actions that are necessary for the systems to produce complete, accurate, and quality information.

# U.S. International Trade Commission

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It is appropriate for the Commission to depend on IBC to address configuration changes and updates to the financial system, as well as developing the reporting tool to integrate the data from the financial and procurement systems. However, the Commission is still responsible for managing the data entered into those systems to ensure the IBC is able to provide accurate and complete reports. The Commission is required to comply with the DATA Act even if IBC is unable to complete the system changes in time.

The traffic light graphs below (Green-Complete; Yellow-Partially Complete, Red-Not Started) provide a summary of the Commission's readiness on key action items that should have been completed .

Step	Action 1	Action 2	Action 3	Action 4
1. Organize Team	Identify Senior Accountable Official	Develop Agency Working Group	Determine Key Milestones	Document Role of IBC
2. Review Elements	Review Element Definitions	Identify Data Limitations	N/A	N/A
3. Inventory Data	Create Inventory of Agency Data	Identify Source System and Data Gaps	N/A	N/A
4. Design and Strategize	Capture Award ID	Develop Implementation Plan	N/A	N/A

The completion of these four steps is critical to the success of the Commission's implementation of the Act. The accuracy of data that the Commission will be reporting under the Act is dependent upon the Commission's understanding of the Act's definitions; and its ability to ensure that its internal processes are designed to capture the proper data in the correct fields in both the financial and procurement systems. The detailed results of the assessment are provided in the following section of this report.

We are making four recommendations to the Commission to increase the likelihood of meeting the reporting requirements and timelines identified in the DATA Act.

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### Assessment Areas

Each of the four tables below represents a step from the playbook. The columns identify what was assessed, the results of the assessment, and assigns a color rating using the traffic light status to illustrate the level of completion (Green-Complete; Yellow-Partially Complete, Red-Not Started). It should be noted many of the items assigned “Yellow” status take into consideration the work completed by IBC being leveraged by the Commission.

Step 1: Organize Team: This step requires the Commission to develop a team of subject matter experts, define roles and responsibilities, and determine key implementation milestones. The Commission fully completed one action on this step and relied on the work of the IBC for the remaining items. As a result, the Commission was not fully aware of agency-specific actions that need to be coordinated with IBC.

Actionable Item(s) Reviewed		Result of Review	Status
1	Identify a Senior Accountable Official, responsible for implementation.	The Commission’s Senior Accountable Official is the Chief Financial Officer, who actively attends government-wide DATA Act meetings, and participates in customer teleconferences from IBC.	
2	Develop an agency DATA Act Working Group of subject matter experts.	The Senior Accountable Official has identified Commission’s Working Group members from Budget, Finance, and Procurement, in conjunction with IBC. However, the Commission’s Working Group has not met on a regular basis and internal communications are mainly informational and focused on government-wide activities. The Commission’s Working Group did not identify and address agency specific requirements, issues, challenges, or gaps.	
3	Determine key implementation milestones, tracking, roles and responsibilities.	The Commission’s Working Group did not perform an analysis to identify any agency-specific implementation milestones that would require coordination with the IBC.	
4	Document the role of IBC	The Commission’s Working Group has heavily relied on IBC to meet the reporting requirements of the DATA Act. The Working Group has not made distinctions between Commission-specific roles and responsibilities versus those of the IBC.	



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Step 2: Review Elements: This step requires the Commission to review the standard data element definitions and identify any limitations involving Commission data. The Commission relied too heavily on the work of IBC for this step. However, many of the data elements are procurement related and were not part of the IBC analysis. Since the Commission did not fully complete this step, there is a risk that complete information will not be provided, or that data provided will not meet the standard definitions. For example, the standard requires agencies to use the Procurement Instrument Identifier to link the data between the financial and procurement systems. The Commission's current method of assigning a Procurement Instrument Identifier does not fully comply with the Federal Acquisition Regulation formatting standards that take effect on October 1, 2017. At the time of this review, the Commission had not taken action to transition to the new numbering format.

Actionable Item(s) Reviewed		Result of Review	Status
1	Review the list of DATA Act elements, including standard definitions.	The Commission's Working Group has not performed a review of the DATA Act elements to ensure there is a clear understanding of how the elements are defined and how they relate to the agency's business operations or systems. IBC did perform a review of the DATA Act elements and definitions as it relates to the financial system.	
2	Participate in data standardization via the appropriate advisory groups/Federal communities, and identify possible challenges and limitations concerning DATA Act requirements.	The Senior Accountable Official participates in the appropriate advisory groups/Federal communities, but is unable to communicate agency-specific issues because the Commission's Working Group has not performed sufficient analysis to identify possible challenges or limitations concerning Commission data.	



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Step 3: Inventory Data: This step requires the Commission to perform an inventory of agency data and associated business processes to identify source systems to extract data and identify any gaps. The Commission did not fully complete this step, which presents a risk that the Commission may not be capturing all of the data elements and will be unable to provide complete, reliable, or accurate information. In order to manage the data, the Commission needs a clear understanding of how our data is represented in the different business systems we use. The Commission also needs to be able to reconcile this data to ensure that the information provided to the public on USASpending.gov is accurate and complete.

Actionable Item(s) Reviewed		Result of Review	Status
1	Create inventory of agency data and associated business processes and trace how DATA Act elements are used.	The Commission's Working Group has started an inventory of the agency's data but has not cross-walked it to how the DATA Act elements are defined to ensure that current business processes will be able to successfully report accurate data.	
2	Identify the appropriate source system to extract the needed data and understand gaps.	The Commission's Working Group has a document that identifies source systems, but it has not been validated. IBC has been working on identifying gaps as it relates to the financial system.	

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Step 4: Design & Strategize: This step requires the Commission to develop a comprehensive implementation plan that includes addressing solutions for gaps in the completeness and accuracy of agency data. Step four is dependent on the results of the first three steps, which the Commission did not complete. The implementation plan should also identify the risks the Commission faces if IBC is unable to deliver a solution within the required timeframes. The plan should then determine whether there is a viable interim solution to develop the reports internally in the event IBC is unable to meet the reporting deadlines.

Actionable Item(s) Reviewed		Result of Review	Status
1	Capture Award ID to link financial data to agency management systems	The Commission currently uses the contract number to link financial data. In 2014, an update to the Federal Acquisition Regulation issued a new standardized numbering schema for the award ID. The Commission's current contract number does not meet the requirements of the new numbering schema. The Commission has not yet initiated plans to transition to the new numbering schema by the October 2017 deadline.	
2	Develop a comprehensive implementation plan, including solutions for addressing gaps in agency data.	The Commission's implementation plan is generic and vague. It does not address gaps in agency data. The implementation plan relies too heavily on the success of IBC to meet the DATA Act requirements.	

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## Recommendations

We are making four recommendations to increase the Commission's likelihood of successfully meeting the reporting requirements of the DATA Act.

**Recommendation 1:** The Senior Accountable Official complete agency-specific actions for Playbook Steps 1-4.

## U.S. International Trade Commission

### Management Report

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**Recommendation 2:** The Chief Financial Officer perform a data reconciliation of the reports generated from Oracle Federal Financials, Federal Procurement Data System, and USASpending.gov.

**Recommendation 3:** The Director of Procurement develop a plan to transition agency contracts to the new Procurement Instrument Identifier by October 1, 2017.

**Recommendation 4:** The Senior Accountable Official determine if there is a viable option to internally meet the DATA Act Reporting timeline.

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### Management Comments and Our Analysis

On December 19, 2016, Chairman Irving A. Williamson provided management comments (C081-OO-012) on the draft report. He agreed with the four recommendations and will make management decisions to address the recommendations in the report.

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# U.S. International Trade Commission

## Management Report

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### Objective, Scope, and Methodology

#### Objective:

Is the Commission on track to meet the requirements of the DATA Act?

#### Criteria:

- *DATA Act Implementation Playbook, Version 2.0*; issued by the DATA Act Program Management Office, U.S. Department of Treasury, Bureau of the Fiscal Service.
- *Readiness Review Guide*; issued by the Council of the Inspectors General on Integrity and Efficiency, July 13, 2016.

#### Scope:

- This assessment was limited to the first four steps of the Playbook.
- This assessment was of the Commission's actions; not of the shared service provider's actions.
- The period covered was from July 2016 through October 2016.

#### Methodology:

1. Obtain an understanding of the laws, regulations, policies, and guidance related to the DATA Act.
  2. Interview the Senior Accountable Official on actions taken by the Commission to comply with the requirements.
  3. Review Commission documentation related to any actions taken to date, implementing steps 1-4 of the Playbook.
  4. Assess the efforts taken by the Commission to meet their reporting requirements under the DATA Act.
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**U.S. International Trade Commission**  
**Management Report**

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**APPENDIX A: Management Comments**



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UNITED STATES INTERNATIONAL TRADE COMMISSION

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WASHINGTON, DC 20436

C081-OO-012

December 19, 2016

MEMORANDUM

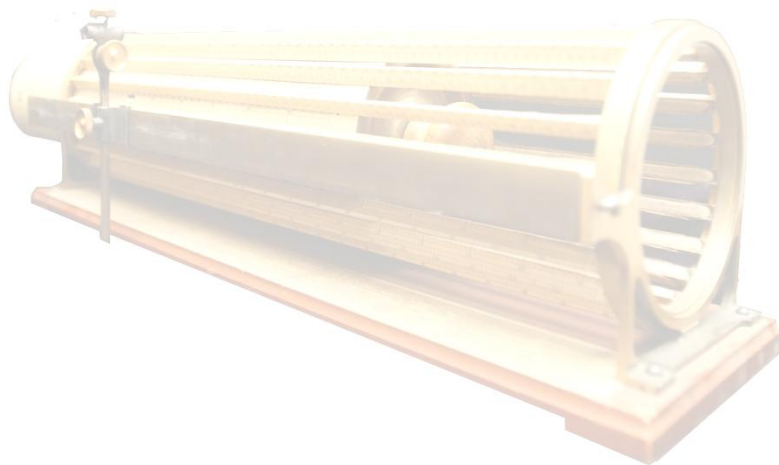
TO: Philip M. Heneghan, Inspector General

FROM: Irving A Williamson, Chairman *IAW*

SUBJECT: Response to Draft Report– DATA Act Readiness Review

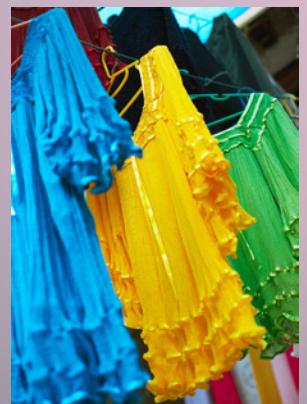
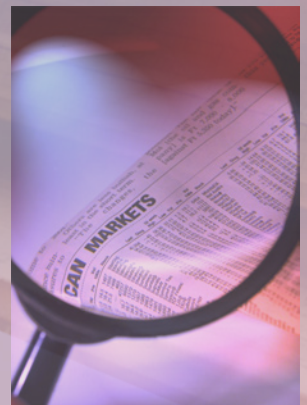
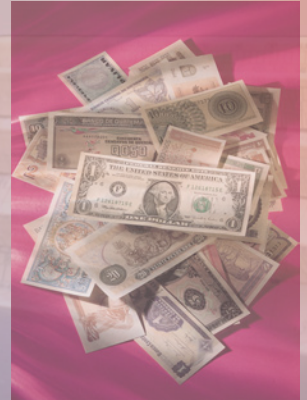
We have reviewed the draft report related to the DATA Act Readiness Review. I appreciate the opportunity to review the draft report and provide comments.

The draft report provided four recommendations to increase the Commission's likelihood of successfully meeting the reporting requirements of the DATA Act. We agree with the four recommendations and will develop management decisions to address them.



*“Thacher’s Calculating Instrument” developed by Edwin Thacher in the late 1870s. It is a cylindrical, rotating slide rule able to quickly perform complex mathematical calculations involving roots and powers quickly. The instrument was used by architects, engineers, and actuaries as a measuring device.*

# To Promote and Preserve the Efficiency, Effectiveness, and Integrity of the U.S. International Trade Commission



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