



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

July 31, 2018

OIG-CA-18-024

MEMORANDUM FOR: DAVID A. LEBRYK
FISCAL ASSISTANT SECRETARY

FROM: Deborah L. Harker /s/
Assistant Inspector General for Audit

SUBJECT: Audit Termination Memorandum – Audit of Treasury’s
Implementation of the Digital Accountability and
Transparency Act of 2014 – Phase III

In April 2016, we initiated an audit, the third in a series of Government-wide audits,¹ as part of our ongoing oversight over the Department of the Treasury’s (Treasury) efforts to meet its responsibilities under the Digital Accountability and Transparency Act of 2014 (DATA Act). Our audit objectives were to determine the sufficiency of plans and actions taken by Treasury and its Bureau of the Fiscal Service to timely comply with DATA Act provisions to (1) establish Government-wide financial data standards for Federal funds made available to or expended by Federal agencies and entities receiving Federal funds; (2) ensure that this financial data is accurately posted and displayed on USAspending.gov by May 2017; and (3) ensure the established data standards are applied to the data made available on the website by May 2018.

During fieldwork, we found that (1) Treasury’s Project Management Office (PMO) delayed release of technical guidance, including the DATA Act Information Model Schema (DAIMS),² caused delays in Federal agencies’ timely, comprehensive implementation of the DATA Act; and (2) Treasury lacked a comprehensive project plan to monitor non-Chief Financial Officer (CFO) Act agencies’ implementation efforts. However, while delays in the release of technical guidance caused delays in agencies’ implementation efforts, 78 agencies submitted their data to the DATA

¹ On May 19, 2015, we issued our first audit report on Treasury’s efforts to meet its Government-wide responsibilities under the DATA Act: OIG-15-034, *Treasury Is Making Progress in Implementing the DATA Act But Needs Stronger Project Management*. On June 22, 2016, we issued the second audit report: OIG-16-047, *Treasury’s Government-wide DATA Act Implementation Continues, But Project Management Concerns Remain*.

² The DAIMS prescribes relationships between data elements as well as format and data reporting validation requirements for transmitting data elements between agencies for publication on USAspending.gov.

Act broker (broker) for publication on USAspending.gov by the statutory deadline of May 8, 2017, including all 24 CFO Act agencies and 54 non-CFO Act agencies.

Also, in a July 2016 DATA Act oversight report,³ the Government Accountability Office (GAO) found that while the Office of Management and Budget (OMB) and Treasury engaged CFO Act agencies by requesting updated agency implementation plans, they neglected to do the same for non-CFO Act agencies. GAO recommended that OMB, in collaboration with Treasury, request that non-CFO Act agencies required to report Federal spending data under the DATA Act submit updated implementation plans. In a November 2017 DATA Act oversight report,⁴ GAO provided the status of its July 2016 recommendation and determined that OMB and Treasury's engagement with non-CFO Act agencies through workshops, weekly phone calls, and other forms of communication which led to over 60 non-CFO Act agencies submitting data in May 2017 met the intent of its recommendation.

Further, in October 2017, we started the DATA Act Government-wide – Phase IV audit. The objective of this audit is to assess the effectiveness of internal controls that Treasury's DATA Act PMO designed, implemented, and placed into operation to help ensure the security, processing integrity, and quality of the data extracted from the broker for display on USAspending.gov. This audit also includes an assessment of internal controls over ensuring the consistency and quality of data accepted by the broker via the DAIMS specifications.

Considering the status of our findings, GAO's audits, and our DATA Act Government-wide – Phase IV audit, we determined that continuing this audit as planned will not further enhance Treasury's efforts to meet its responsibilities under the DATA Act. Accordingly, we are terminating this audit. We will also remove *Treasury's Implementation of the Digital Accountability and Transparency Act of 2014 – Phase III* (job code A- FI-16-039) from our *Monthly Status Report*.

Should you have any questions concerning this memorandum, please contact me at (202) 927-5400, or Andrea Smith, Director, Fiscal Service Audits, at (202) 927-8757.

cc: Katherine C. Smith, Audit Liaison

³ GAO-16-698, DATA Act: *Improvements Needed in Reviewing Agency Implementation Plans and Monitoring Progress* (July 29, 2016).

⁴ GAO-18-138, DATA Act: *OMB, Treasury, and Agencies Need to Improve Completeness and Accuracy of Spending Data and Disclose Limitations* (November 8, 2017).