

Office of Inspector General

DATA Act Audit, 2019

A20-01



November 2019

FEDERAL MARITIME COMMISSION

Table of Contents

REPORT HIGHLIGHTS	1
BACKGROUND	2
FMC DATA ACT REPORTING	3
OBJECTIVES, SCOPE, AND METHODOLOGY	4
RESULTS	6
Assessment of Internal Control over Source Systems	6
Assessment of Internal Controls over DATA Act Submission	7
Assessment of DATA Act Submission	8
Summary-Level Data and Linkages for Files A, B, and C	8
Record-Level Data and Linkages for Files C and D1	8
Testing Limitations	9
Implementation and Use of the Data Standards	9
FINDING 1– Timely Reporting to FPDS-NG	10
FINDING 2 – Inaccurate Procurement Information	11
FINDING 3 – “Double Dash” Process	13
Appendix A – Agency Response	15
Appendix B – CIGIE Date Anomaly Letter	17
Appendix C – FMC’s Results for the Data Elements	19
Appendix D – Analysis of the Accuracy of Dollar Value-Related Data Elements	22
Appendix E – Analysis of Errors in Data Elements	23



REPORT HIGHLIGHTS

The OIG Recommends the FMC Enhance Policies and Procedures to Ensure the Accurate and Timely Reporting of Procurement Information in the DATA Act Reporting Process

(Audit A20-01, November 2019)

Why We Did This Audit

The Digital Accountability and Transparency Act of 2014 (DATA Act) was enacted May 9, 2014. In part, the DATA Act requires the Inspector General (IG) of each Federal agency to review 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, timeliness, quality, and accuracy of the data sampled and the implementation and use of the Government-wide financial data standards by the Federal agency.

Background

USAspending.gov was launched in December 2007 to implement the Federal Funding Accountability and Transparency Act (FFATA) of 2006 by providing the public with free centralized access to information on Federal spending.

The DATA Act expanded the reporting requirements pursuant to the FFATA. 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 2015, the Office of Management and Budget (OMB) and Department of the Treasury published 57 data definition standards and required Federal agencies to report financial data in accordance with these standards for DATA Act reporting, beginning May 2017.

What We Found

The Federal Maritime Commission's (FMC) DATA Act reporting process involves multiple parties: Treasury's Bureau of the Fiscal Service, Administrative Resource Center (BFS ARC); the FMC's Senior Accountable Official (SAO) (Managing Director); the FMC's Office of Budget and Finance (OBF); and the FMC's Office of Management Services (OMS). The FMC uses two systems for its spending data: Oracle Financials as its source system for all financial data, and the Procurement Request Information System Management (PRISM) as its source system for contract data. The FMC also uses the Federal Procurement Data System-Next Generation (**FPDS-NG**) for collecting and reporting data on agency procurements.

The OIG tested 15 unique procurement transactions (records) to be reported on USAspending.gov for the first quarter of fiscal year 2019. These transactions were tested for completeness, accuracy, and timeliness. The OIG's audit determined that the FMC's error rate for completeness was 6.33%; the error rate for accuracy was 7.12%; and the error rate for timeliness was 24.21%. The majority of these errors were determined to be not attributable to the FMC, and the result of two different third-party system issues.

Due to a system issue, in two cases, PRISM was only interfacing the 'draft' version of a processed, finalized award into FPDS-NG. As a result, FPDS-NG was not receiving the final version that is ultimately reported to USAspending.gov. While the FMC is able to manually approve and finalize the draft in FPDS-NG, the system does not generate a notice to the agency when manual approval is required. In addition, due to the lack of clear procedures on the process to record transactions in PRISM and FPDS-NG when a vendor has changed their DUNS number, this caused incomplete, inaccurate, and untimely reporting for one of the testing samples. In addition to the system issues, there were four procurement actions that had accuracy issues that were likely caused by data entry errors by procurement staff.

Recommendations

1. Until such time as the BFS ARC resolves the issue of PRISM only interfacing the 'draft' version of a processed, finalized award to FPDS-NG, the Senior Accountable Official (SAO) should develop policies and procedures that ensure the timely reporting of procurement information to FPDS-NG.
2. The Senior Accountable Official (SAO) should develop policies and procedures to enter and report procurement information accurately in the DATA Act reporting process.
3. The Senior Accountable Official (SAO) should work with the Bureau of the Fiscal Service Administrative Resource Center to develop policies and procedures to enter and report procurement information accurately in the DATA Act reporting process for instances when a vendor changes their DUNS number.

DATA ACT AUDIT, 2019

BACKGROUND

USAspending.gov was launched in December 2007 to implement the Federal Funding Accountability and Transparency Act (FFATA) of 2006 by providing the public with free centralized access to information on Federal spending. To ensure USAspending.gov is providing current and accurate information, the Office of Management and Budget (OMB) and Federal agencies must take steps to ensure data reliability and quality. Reliable data allows the public to trust the information the government provides, and for Federal and elected officials to use that information to make informed decisions about government programs and projects. Reliable data also allows Federal managers to analyze and better structure government programs to prevent waste, fraud, and abuse. Further, reliable data provides those with an oversight function with the assurance that agencies and programs are accountable for the Federal funds spent.

The Digital Accountability and Transparency Act of 2014 (DATA Act) was enacted May 9, 2014, to expand the reporting requirements pursuant to the FFATA. 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 2015, OMB and Department of the Treasury published 57¹ data definition standards and required Federal agencies to report financial data in accordance with these standards for DATA Act reporting, beginning May 2017.

The DATA Act also requires the Inspector General (IG) of each Federal agency to review 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, timeliness, quality, and accuracy 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 requirements contained in the DATA Act. That is, the first Inspector General reports were due to Congress on 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

¹ The 57 data elements including definitions can be found at <https://portal.max.gov/portal/assets/public/offm/DataStandardsFinal.htm>.

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. See CIGIE Anomaly Letter in Appendix B.

FMC DATA ACT REPORTING

The Federal Maritime Commission's (FMC) DATA Act reporting process involves multiple parties: Treasury's Bureau of the Fiscal Service, Administrative Resource Center (BFS ARC); the FMC's Senior Accountable Official (SAO) (Managing Director); the FMC's Office of Budget and Finance (OBF); and the FMC's Office of Management Services (OMS). The FMC uses two systems for its spending data: Oracle Financials as its source system for all financial data, and the Procurement Request Information System Management (PRISM) as its source system for contract data. The FMC maintains an agreement with BFS ARC to provide financial system services and relies on BFS ARC to help meet DATA Act reporting requirements.

A data broker is designed to standardize data formatting and help Federal agencies validate data submissions.

broker files:

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

Files A and B contain summary-level financial data. File C contains reportable record-level data. Files D1 and E contain detailed information for record-level transactions reported in File C. The FMC does not have files D2 or F because the agency does not have financial assistance awards, such as grants or loans. The FMC OIG did not assess the completeness, accuracy, timeliness, and quality of the data extracted from the System for Award Management (SAM) via the DATA Act Broker, as described in the Testing Limitations section of this report.

OBJECTIVES, SCOPE, AND METHODOLOGY

To meet the needs of the IG community, the CIGIE Federal Audit Executive Council (FAEC) established the DATA Act Working Group (Working Group). The Working Group's mission is to assist the IG community in understanding and meeting its DATA Act oversight requirements by (1) serving as a working level liaison with the Department of the Treasury (Treasury), (2) consulting with the Government Accountability Office (GAO), (3) developing a common approach and methodology, and (4) coordinating key communications with other stakeholders.

In consultation with GAO, as required by the DATA Act, the Working Group developed the *CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act*, February 14, 2019. The guide presents a baseline framework for the required reviews performed by the IG community and to foster a common methodology for performing these mandates. Under the DATA Act, each IG is required to issue three reports on its agency's data submission and compliance with the DATA Act. The original 2017 guide was updated in 2019 for the second required report, due November 8, 2019, and may be updated again for the subsequent report due November 2021.

We conducted this performance audit in accordance with *Government Auditing Standards*, 2011 revision. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions, based on our audit objectives.

The objectives of this engagement are to assess the FMC's: (1) completeness, timeliness, quality, and accuracy of fiscal year 2019, first quarter financial and award data submitted for publication on USAspending.gov; and (2) implementation and use of the Government-wide financial data standards established by OMB and Treasury. The OIG also followed-up on the FMC's implementation of the 2017 DATA Act audit recommendation. The scope of this engagement was fiscal year 2019, first quarter financial and award data the FMC submitted for publication on USAspending.gov, and any applicable procedures, certifications, documentation, and controls to achieve this process. To accomplish the objectives of this audit, the OIG performed the following steps:

- obtained an understanding of the criteria related to the FMC's responsibilities to report financial and award data under the DATA Act;

- assessed the agency's systems, processes, and internal controls in place over data management under the DATA Act;
- assessed the general and application controls pertaining to the procurement system from which the data elements were derived and linked;
- assessed the agency's internal controls in place over the financial and award data reported to USAspending.gov per OMB Circular A-123²;
- reviewed the fiscal year 2019, first quarter financial and award data submitted by the agency for publication on USAspending.gov;
- assessed the completeness, timeliness, quality, and accuracy of the financial and award data sampled for fiscal year 2019, first quarter; and
- assessed the agency's implementation and use of the 57 data definition standards established by OMB and Treasury.

The DATA Act requires the IG of each Federal agency to review 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, timeliness, quality, and accuracy of the data sampled and the implementation and use of the Government-wide financial data standards by the Federal agency. The FAEC DATA Act Working Group guidance states the engagement team should select a statistically valid sample of certified spending data from the reportable award-level transactions (procurement awards) included in the agency's certified data submission for File C, or Files D1 and D2, if File C is unavailable. FMC's File C contained 15 unique transactions and File D1 contained 16 unique transactions. The FMC had no grant activity, and therefore the data broker did not generate Files D2. The FMC OIG decided to test 100% of the transactions because the total number of unique spending transactions was 16 or fewer. The testing included coverage of both Files C and D1.

For each record selected for testing, we compared the information in FMC's File C and File D1 to the source document (such as contract, modification, or other obligating document) to determine whether the records submitted for publication in USAspending.gov were complete, accurate, and timely, as defined below.

- Completeness is defined as: for each of the required data elements that should have

² Office of Management and Budget, Appendix A to OMB Circular No. A-123, Management of Reporting and Data Integrity Risk, OMB Memorandum M-18-16 (June 6, 2018).

been reported, the data element was reported in the appropriate files A through D1.

- Timeliness is defined as: for each of the required data elements that should have been reported, the data elements were reported in accordance with the reporting schedules defined by the financial, procurement, and financial assistance requirements. Timeliness can be assessed in two ways: (1) Award financial data elements within File C should be reported within the quarter in which it occurred; and (2) Procurement award data elements within File D1 should be reported in FPDS-NG³ within 3 business days after contract award in accordance with the Federal Acquisition Regulation (FAR) Part 4.604.
- Accuracy is defined as: amounts and other data relating to recorded transactions have been recorded in accordance with the DAIMS⁴, Reporting Submission Specification (RSS), Interface Definition Document (IDD), and the online data dictionary; and agrees with authoritative source documentation.

RESULTS

Assessment of Internal Control over Source Systems

The FMC has an interagency agreement with BFS ARC to provide the FMC with accounting and procurement systems and support. The FMC uses Oracle Financials as its source system for all financial data, and PRISM as its source system for contract data. We performed procedures to determine whether internal controls over PRISM, as they relate to the FMC's FY 2019 quarter 1 DATA Act submission, are properly designed, implemented, and operating effectively. Those procedures consisted of:

- Gaining an understanding of the source system used for recording procurement transactions;
- Reviewing BFS ARC's Statement of Standards for Attestation Engagements Number 18 (SSAE 18), Service Organization Controls (SOC) 1 report, and determining whether

³ Government agencies are responsible for collecting and reporting data on federal procurements through the Federal Procurement Data System-Next Generation (FPDS-NG).

⁴ The DATA Act Information Model Schema (DAIMS) gives an overall view of the hundreds of distinct data elements used to tell the story of how federal dollars are spent. It includes artifacts that provide technical guidance for federal agencies about what data to report to Treasury including the authoritative sources of the data elements and the submission format.

there were any issues noted by the auditors that could have an impact on the FMC's DATA Act submission; and

- Obtaining an understanding of the FMC's complementary customer agency controls as required by the BFS ARC SOC 1 report.

Procurement information in FPDS-NG is generally updated through an interface in PRISM. However, during the audit the OIG learned of an issue whereby PRISM only interfaces the 'draft' version of a processed, finalized award into FPDS-NG. When a user initially launches FPDS-NG, the draft is created and stays this way until it is automatically finalized by the approval of the PRISM contract or award. However, we found that some awards were not getting automatically finalized in FPDS-NG. While the FMC is able to manually approve and finalize the draft in FPDS-NG, the system does not generate a notice to the agency when manual approval is required. We did see several instances of errors that were as a result of this interface issue.

When a vendor changes their Data Universal Numbering System (DUNS) number, a modification needs to be completed in PRISM, but there is a work-around that is required to process the modification. The Contracting Specialist is required to record a special coding in order for the modification to be processed by PRISM. This special coding is called a "double dash". For example, to process a modification to a contract numbered FMC-16-C-0001 when the vendor's DUNS number has changed, the Contracting Specialist would need to add a double dash to the original contract number, such as "FMC-16-C-0001--". However, due to the lack of clear procedures on the process to record transactions in PRISM and FPDS-NG when a vendor has changed their DUNS number, this caused incomplete, inaccurate, and untimely reporting for one of the testing samples.

Other than the issues noted above, we found that FMC designed and implemented effective internal controls over its source system.

Assessment of Internal Controls over DATA Act Submission

We performed inquiry and document review to determine whether internal controls over the DATA Act submission were operating effectively. We found that overall, controls over the FY 2019 quarter 1 DATA Act submission were effective, however we noted an improvement that could be made to the DATA Act procedures.

The FMC OIG's 2017 DATA Act audit recommended that the "Senior Accountable Official (SAO) should develop policies and procedures to enter and report obligations in a manner that ensures they are included in the DATA Act reporting process; and ensure that any anomalies

are reviewed, reconciled, and corrected in a timely manner”⁵. The FMC implemented the recommendation and developed a Standard Operating Procedure (SOP) for reviewing, reconciling, correcting, and certifying data, but the SOP should be updated to reflect a change in the process since the OIG’s 2017 audit. The SOP references the DATA Act Reconciliation Tool, a file that BFS previously provided to the FMC to assist in the FMC’s review, reconciliation, and correction of the FMC procurement data; however, the Reconciliation Tool is no longer provided. Further, the SOP does not address the circumstances when the SAO should qualify one or more of the FMC’s DATA Act files in the submission of the quarterly assurance statement, as the SAO did for the FY 19 Q1 data submission.

Assessment of DATA Act Submission

We evaluated the FMC’s DATA Act submission to Treasury’s DATA Act Broker and determined that the submission was complete and submitted timely. To be considered a complete submission, we evaluated Files A, B, and C to determine that all transactions and events that should have been recorded were recorded in the proper period.

Summary-Level Data and Linkages for Files A, B, and C

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

Record-Level Data and Linkages for Files C and D1

The OIG tested 15 records and 46 unique data elements for completeness, accuracy, and timeliness.

Completeness of the Data Elements

The error rate for the completeness of the data elements is 6.33%. A data element was considered complete if the required data element that should have been reported was reported.

Accuracy of the Data Elements

The error rate for the accuracy of the data elements is 7.12%. A data element was considered accurate when amounts and other data relating to recorded transactions were recorded

⁵ 2017 DATA Act audit can be found at <https://www.fmc.gov/wp-content/uploads/2019/04/DATAAct2017.pdf>

in accordance with the DAIMS, RSS, IDD, and the online data dictionary, and agree with the authoritative source records.

Timeliness of the Data Elements

The error rate for the timeliness of the data elements is 24.21%. The timeliness of data elements was based on the reporting schedules defined by the procurement requirements.

Quality of the Data Elements

Quality of the data elements is defined as data that is complete, accurate, and provided timely. The highest of the three error rates was used as the determining factor of quality. The following table provides the range of error in determining the quality of the data elements.

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

Source: CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act, 2/14/2019, Section 710.04.

Based on our test work and the highest error rate of 24.21%, we determined that the quality of the FMC's data is considered Moderate.

Testing Limitations

File E of the DATA Act Information Model Schema (DAIMS) contains additional awardee attribute information extracted from the System for Award Management (SAM) via the DATA Act Broker (broker). It is the prime awardee's responsibility to report sub-award and executive compensation information in SAM. Data reported from SAM is generated in the broker for display on USAspending.gov. We did not assess the completeness, accuracy, timeliness, and quality of the data extracted from SAM via the DATA Act Broker.

Implementation and Use of the Data Standards

We have evaluated the FMC's implementation and use of the government-wide financial data standards for spending information as developed by OMB and Treasury. For the broker files tested, the required elements were generally present in the files except for the findings described below.

FINDING 1– Timely Reporting to FPDS-NG

Condition

There were three procurement actions that had untimely data elements in file D1 for the first quarter fiscal year 2019 DATA Act submission.

Criteria

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 standards⁶ and required Federal agencies to report financial data in accordance with these standards for DATA Act reporting, beginning January 2017.

Timeliness is determined for each of the required data elements that should have been reported, the data elements were reported in accordance with the reporting schedules defined by the financial, procurement, and financial assistance requirements. Timeliness can be assessed in two ways: (1) Award financial data elements within File C should be reported within the quarter in which it occurred; and (2) Procurement award data elements within File D1 should be reported in FPDS-NG within 3 business days after contract award in accordance with the FAR Part 4.604.

Cause

When the FMC contracting specialist processes a procurement action in PRISM, the specialist launches the FPDS-NG application within PRISM to enable the procurement action to ultimately be reported to USAspending.gov. However, due to an undetermined system issue, in two cases, PRISM was only interfacing the ‘draft’ version of a processed, finalized award into FPDS-NG. As a result, FPDS-NG was not receiving the final version. While the FMC is able to manually approve and finalize the draft in FPDS-NG, the system does not generate a notice to the agency when manual approval is required.

In one instance, the untimely reporting of data elements for an award was not a result of a system issue, and was likely the result of procurement staff not submitting the award to FPDS-NG within 3 business days.

⁶ The 57 data elements including definitions can be found at <https://portal.max.gov/portal/assets/public/offm/DataStandardsFinal.htm>

Effect

DATA Act reporting for the first quarter of fiscal year 2019 was untimely for some D1 data elements.

Recommendation 1

Until such time as the BFS ARC resolves the issue of PRISM only interfacing the ‘draft’ version of a processed, finalized award to FPDS-NG, the Senior Accountable Official (SAO) should develop policies and procedures that ensure the timely reporting of procurement information to FPDS-NG.

Agency Comments

Management agrees with this recommendation. When this issue was discovered during the audit process, the Office of Management Services consulted the Bureau of the Fiscal Service, Administrative Resource Center (BFS ARC) for assistance in determining the cause and resolution of the PRISM issue. Thereafter, a procedure was developed and implemented by OMS to ensure that PRISM procurement documents are properly finalized and that procurement information is timely reported to FPDS-NG. This procedure will be included in the DQP.

OIG Response

The agency’s comments are responsive to the OIG’s recommendation.

FINDING 2 – Inaccurate Procurement Information

Condition

There were four procurement actions that had inaccurate data elements in file D1 for the first quarter fiscal year 2019 DATA Act submission.

Criteria

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 and required

Federal agencies to report financial data in accordance with these standards for DATA Act reporting, beginning January 2017.

Accuracy is defined as: amounts and other data relating to recorded transactions that have been recorded in accordance with the DAIMS, Reporting Submission Specification (RSS), Interface Definition Document (IDD), and the online data dictionary; and agrees with authoritative source documentation.

Cause

The OIG believes the likely cause of the inaccurate data was data entry errors by procurement staff processing awards in PRISM or FPDS-NG.

Effect

DATA Act reporting for the first quarter of fiscal year 2019 was inaccurate for some D1 data elements.

Recommendation 2

The Senior Accountable Official (SAO) should develop policies and procedures to enter and report procurement information accurately in the DATA Act reporting process.

Agency Comments

Management agrees that procurement information should be complete, accurate, and timely. During this audit process, a procedure was developed and implemented by OMS to ensure completeness, accuracy, and timeliness of information, and will be added to the DQP.

OIG Response

The agency's comments are responsive to the OIG's recommendation.

FINDING 3 – “Double Dash” Process

Condition

One procurement action was incomplete, inaccurate, and untimely because it did not appear in File D1.

Criteria

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 standards⁷ and required Federal agencies to report financial data in accordance with these standards for DATA Act reporting, beginning January 2017.

Accuracy is defined: as amounts and other data relating to recorded transactions have been recorded in accordance with the DAIMS, Reporting Submission Specification (RSS), Interface Definition Document (IDD), and the online data dictionary; and agrees with authoritative source documentation.

Timeliness is defined: as for each of the required data elements that should have been reported, the data elements were reported in accordance with the reporting schedules defined by the financial, procurement, and financial assistance requirements. Timeliness can be assessed in two ways: (1) Award financial data elements within File C should be reported within the quarter in which it occurred; and (2) Procurement award data elements within File D1 should be reported in FPDS-NG within 3 business days after contract award in accordance with the FAR Part 4.604.

Completeness of a data element is defined as: for each of the required data elements that should have been reported, the data element was reported in the appropriate files A-D1.

Cause

There is a lack of clear procedures on the process to record transactions in PRISM and FPDS-NG when a vendor has changed their DUNS number. When a vendor changes their Data Universal

⁷ The 57 data elements including definitions can be found at <https://portal.max.gov/portal/assets/public/offm/DataStandardsFinal.htm>

Numbering System (DUNS) number, a modification needs to be completed in PRISM, but there is a work-around that is required to process the modification. The Contracting Specialist is required to record a special coding in order for the modification to be processed by PRISM. This special coding is called a “double dash”. For example, to process a modification to a contract numbered FMC-16-C-0001 when the vendor’s DUNS number has changed, the Contracting Specialist would need to add a double dash to the original contract number, such as “FMC-16-C-0001--”.

Effect

DATA Act reporting for the first quarter of fiscal year 2019 was inaccurate, incomplete, and untimely for the D1 data elements.

Recommendation 3

The Senior Accountable Official (SAO) should work with the Bureau of the Fiscal Service Administrative Resource Center to develop policies and procedures to enter and report procurement information accurately in the DATA Act reporting process for instances when a vendor changes their DUNS number.

Agency Comments

Management agrees with this recommendation, and received BFS ARC guidance on August 12, 2019, on accurate reporting of procurement information when a vendor changes its DUNS number. The guidance was implemented by OMS and will be included in the DQP.

OIG Response

The agency’s comments are responsive to the OIG’s recommendation.

Appendix A – Agency Response

UNITED STATES GOVERNMENT

FEDERAL MARITIME COMMISSION

Memorandum

TO : Inspector General

DATE: October 29, 2019

FROM : Managing Director

SUBJECT : A20-01, DATA Act Audit, 2019

I have reviewed the findings and recommendations contained in the subject audit. Management values the Office of the Inspector General's efforts in reviewing the Commission's implementation of and compliance with the DATA Act. We appreciate the recommendations for improvement in this important effort.

The OIG recommended that the DATA Act SOP for Reviewing, Reconciling, Correcting, and Certifying Data be updated. Prior to the end of FY 2019, a Data Quality Plan (DQP) was developed, which supersedes that SOP. The DQP will be supplemented by the end of the first quarter of FY 2020 to reflect the IG's recommendations as noted below.

Recommendation #1: Until such time as the BFS ARC resolves the issue of PRISM only interfacing the 'draft' version of a processed, finalized award to FPDS-NG, the Senior Accountable Official (SAO) should develop policies and procedures that ensure the timely reporting of procurement information to FPDS-NG.

Comment: Management agrees with this recommendation. When this issue was discovered during the audit process, the Office of Management Services consulted the Bureau of the Fiscal Service, Administrative Resource Center (BFS ARC) for assistance in determining the cause and resolution of the PRISM issue. Thereafter, a procedure was developed and implemented by OMS to ensure that PRISM procurement documents are properly finalized and that procurement information is timely reported to FPDS-NG. This procedure will be included in the DQP.

Recommendation #2: The Senior Accountable Official (SAO) should develop policies and procedures to enter and report procurement information accurately in the DATA Act reporting process.

Comment: Management agrees that procurement information should be complete, accurate, and timely. During this audit process, a procedure was developed and implemented by OMS to ensure completeness, accuracy, and timeliness of information, and will be added to the DQP.

Recommendation #3: The Senior Accountable Official (SAO) should work with the BFS ARC to develop policies and procedures to enter and report procurement information accurately in the DATA Act reporting process for instances when a vendor changes their DUNS number.

Comment: Management agrees with this recommendation, and received BFS ARC guidance on August 12, 2019, on accurate reporting of procurement information when a vendor changes its DUNS number. The guidance was implemented by OMS and will be included in the DQP.

Karen V. Gregory

cc: Office of the Chairman

Appendix B – CIGIE Date Anomaly Letter

CIGIE's DATA Act Anomaly Letter Submitted to the Senate Committee on Homeland Security and Governmental Affairs and the House Committee on Oversight and Government Reform



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

Appendix B

CIGIE's DATA Act Anomaly Letter Submitted to the Senate Committee on Homeland Security and Government Affairs and the House Committee on Oversight and Government Reform

Page 2

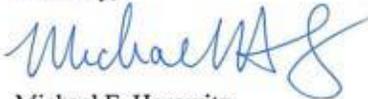
intent of the oversight provisions in the DATA Act and provide useful reports for the public, the Congress, the Executive Branch, and others.

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 C – FMC’s Results for the Data Elements

The table below summarizes the results of our data element testing. Results are sorted in descending order by completeness error rate (the data element with the highest completeness error rate is listed first). This table is based on the results of our testing of the 15 unique procurement records submitted in FMC's FY 2019, Quarter 1 DATA Act submission. Note: some data elements were not applicable for the 15 records.

FMC's results listed in descending order by completeness error rate.					
Accuracy (A), Completeness (C), Timeliness (T)					
Data Element No.	File	Data Element Name	Error Rate		
			C	A	T
29	File D1	Ordering Period End Date	1 of 1	1 of 1	1 of 1
23	File D1	Award Modification/ Amendment Number	1 of 6	1 of 6	3 of 6
24	File D1	Parent Award ID Number	1 of 7	1 of 7	2 of 7
36	File D1	Action Type	1 of 11	1 of 11	3 of 11
1	File D1	Awardee/Recipient Legal Entity Name	1 of 15	1 of 15	4 of 15
2	File D1	Awardee/Recipient Unique Identifier	1 of 15	1 of 15	4 of 15
3	File D1	Ultimate Parent Unique Identifier	1 of 15	1 of 15	4 of 15
4	File D1	Ultimate Parent Legal Entity Name	1 of 15	1 of 15	4 of 15
5	File D1	Legal Entity Address	1 of 15	1 of 15	4 of 15
6	File D1	Legal Entity Congressional District	1 of 15	1 of 15	4 of 15
7	File D1	Legal Entity Country Code	1 of 15	1 of 15	4 of 15
8	File D1	Legal Entity Country Name	1 of 15	1 of 15	4 of 15
11	File D1	Federal Action Obligation	1 of 15	1 of 15	4 of 15
14	File D1	Current Total Value of Award	1 of 15	2 of 15	4 of 15
15	File D1	Potential Total Value of Award	1 of 15	2 of 15	4 of 15
16	File D1	Award Type	1 of 15	1 of 15	4 of 15
17	File D1	NAICS Code	1 of 15	1 of 15	4 of 15

Data Element No.	File	Data Element Name	Error Rate		
			C	A	T
18	File D1	NAICS Description	1 of 15	1 of 15	4 of 15
22	File D1	Award Description	1 of 15	1 of 15	4 of 15
25	File D1	Action Date	1 of 15	2 of 15	4 of 15
26	File D1	Period of Performance Start Date	1 of 15	2 of 15	4 of 15
27	File D1	Period of Performance Current End Date	1 of 15	1 of 15	4 of 15
28	File D1	Period of Performance Potential End Date	1 of 15	2 of 15	4 of 15
30	File D1	Primary Place of Performance Address	1 of 15	1 of 15	4 of 15
31	File D1	Primary place of Performance Congressional District	1 of 15	1 of 15	4 of 15
32	File D1	Primary Place of Performance Country Code	1 of 15	1 of 15	4 of 15
33	File D1	Primary Place of Performance Country Name	1 of 15	1 of 15	4 of 15
34	File C	Award ID Number (PIID/FAIN)	1 of 15	1 of 15	4 of 15
38	File D1	Funding Agency Name	1 of 15	1 of 15	4 of 15
39	File D1	Funding Agency Code	1 of 15	1 of 15	4 of 15
40	File D1	Funding Sub Tier Agency Name	1 of 15	1 of 15	4 of 15
41	File D1	Funding Sub Tier Agency Code	1 of 15	1 of 15	4 of 15
42	File D1	Funding Office Name	1 of 15	1 of 15	4 of 15
43	File D1	Funding Office Code	1 of 15	1 of 15	4 of 15
44	File D1	Awarding Agency Name	1 of 15	1 of 15	4 of 15
45	File D1	Awarding Agency Code	1 of 15	1 of 15	4 of 15
46	File D1	Awarding Sub Tier Agency Name	1 of 15	1 of 15	4 of 15
47	File D1	Awarding Sub Tier Agency Code	1 of 15	1 of 15	4 of 15
48	File D1	Awarding Office Name	1 of 15	1 of 15	4 of 15
49	File D1	Awarding Office Code	1 of 15	1 of 15	4 of 15

Data Element No.	File	Data Element Name	Error Rate		
			C	A	T
24	File C	Parent Award ID Number	0 of 7	0 of 7	0 of 7
34	File C	Award ID Number (PIID/FAIN)	0 of 15	0 of 15	0 of 15
50	File C	Object Class	0 of 15	0 of 15	0 of 15
51	File C	Appropriations Account	0 of 15	0 of 15	0 of 15
53	File C	Obligation	0 of 15	0 of 15	0 of 15
12	File D2*	Non-Federal Funding Amount	N/A	N/A	N/A
13	File D2*	Amount of Award	N/A	N/A	N/A
19	File D2*	Catalog of Federal Domestic Assistance (CFDA) Number	N/A	N/A	N/A
20	File D2*	Catalog of Federal Domestic Assistance (CFDA) Title	N/A	N/A	N/A
35	File D2*	Record Type	N/A	N/A	N/A
37	File D2*	Business Types	N/A	N/A	N/A
54	N/A	Unobligated Balance	N/A	N/A	N/A
57	N/A	Outlay	N/A	N/A	N/A
56	File C	Program Activity	N/A	N/A	N/A

**Only applicable to Federal Assistance Awards, therefore not applicable to FMC.*

Appendix D – Analysis of the Accuracy of Dollar Value-Related Data Elements

Our testing included tests of certain dollar value-related data elements, such as federal action obligation, current total value of award, potential total value of award, and transaction obligation amount. The table below shows the results of the accuracy of the data elements related to dollar value.

Accuracy of Dollar-Value Related Data Elements							
Data Element Number and Name		Accurate	Not Accurate	N/A	Total Tested	Error Rate	Absolute Value of Errors
11	Federal Action Obligation	14	1	0	15	6.67%	\$116,069.30
14	Current Total Value of Award	13	2	0	15	13.33%	\$122,195.17
15	Potential Total Value of Award	13	2	0	15	13.33%	\$173,019.43
53	Transaction Obligation Amount	15	0	0	15	0.00%	\$ -
	Total	55	5	0	60		

Appendix E – Analysis of Errors in Data Elements

There were two different third-party system errors, PRISM only interfaces the ‘draft’ version of a processed, finalized award into FPDS-NG, and special coding requiring a double dash. Please see page 6 of this report for more information. The third party is aware of both issues and is working with the FMC to address them. The below table shows the breakdown of errors that are attributable and not attributable to the agency.

		Incomplete	Inaccurate	Untimely
Total Errors	Total # of Errors	40	45	153
	Error Rate	6.33%	7.12%	24.21%
Errors Attributable to the FMC	Total # of Errors	0	5	37
	Error Rate	0.00%	0.79%	5.85%
Errors Not Attributable to the FMC	Total # of Errors	40	40	116
	Error Rate	6.33%	6.33%	18.35%