

COURT SERVICES AND OFFENDER SUPERVISION AGENCY

Report of the Court Services and Offender Supervision Agency's Compliance with
the Digital Accountability Transparency Act of 2014 for
First Quarter Fiscal Year 2019

November 8, 2019





Mr. Paul Girardo
Associate Director, Office of Financial Management
Court Services and Offender Supervision Agency
Washington, District of Columbia

Dear Mr. Girardo:

Williams, Adley & Company-DC, LLP has conducted a performance audit of the Court Services and Offender Supervision Agency's (CSOSA's) compliance with the Digital Accountability and Transparency Act of 2014 for the first quarter of Fiscal Year 2019.

The objectives of our audit were to assess (1) the completeness, accuracy, timeliness, and quality of the first quarter Fiscal Year 2019 financial and award data submitted by CSOSA for publication on USASpending.gov and (2) CSOSA's implementation and use of the Government-wide financial data standards established by the Office of Management and Budget and the Department of the Treasury. This report is for the purpose of concluding on the audit objectives described above. Accordingly, this report is not suitable for any other purpose.

We conducted our audit in accordance with applicable *Government Auditing Standards*, 2011 Revision, issued by the Comptroller General of the United States. 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.

We appreciate the cooperation provided by CSOSA's personnel during the audit.

Sincerely,

A handwritten signature in black ink that reads "Williams, Adley & Company-DC, LLP".

Washington, District of Columbia
November 8, 2019

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BACKGROUND

The Digital Accountability and Transparency Act of 2014 (DATA Act) was signed into law in May 2014 in an effort to increase the transparency of federal spending data by making it more accessible, searchable, and reliable to taxpayers. The DATA Act expanded on the requirements of the Federal Funding Accountability and Transparency Act of 2006 (FFATA) by requiring Federal agencies to report financial and award data in accordance with 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.

These standards ensure consistency across departments and agencies and define the specific data elements agencies must report under the DATA Act, such as appropriation account, object class, expenditures, and program activity. This information is published in the DATA Act Information Model Schema (DAIMS), which provides agencies an overall view of the hundreds of distinct data elements included in agencies' DATA Act files. CSOSA's DATA Act submission is comprised of the following files:

Table 1: Agency-Created Files

File Name	Description	Source	
File A	Appropriations Account	Includes the appropriations account detail information.	Oracle
File B	Object Class and Program Activity	Includes the object class and program activity detail information.	Oracle
File C	Award-Level Financial	Includes the award financial detail information.	Oracle

Source: Prepared by Williams Adley based on Treasury and OMB guidance and testing performed.

Table 2: DATA Act Broker-Generated Files¹

File Name	Description	Source	
File D1	Award and Awardee Attribute - Procurement Awards	Contains the award and awardee attributes information for procurement awards sourced from Federal Procurement Data System - Next Generation (FPDS-NG). ²	FPDS-NG
File E	Additional Awardee Attributes	Contains additional awardee attributes information sourced from System for Award Management (SAM). ³	SAM

Source: Prepared by Williams Adley based on Treasury and OMB guidance and testing performed.

¹ File D2 – Award and Awardee Attribute – Financial Assistance Awards and File F – FFATA Subaward Attributes are not discussed in this report since they are not applicable to CSOSA.

² FPDS-NG is the repository for Federal procurement data that is operated by the General Services Administration. Agencies are required to report all contracts with an estimated value greater than \$10,000, and modifications to those contracts, into FPDS-NG.

³ SAM is operated by the General Services Administration. All organizations that do business or want to do business with the Federal Government must have an active registration for this system.

Files A through C are generated by CSOSA, whereas Files D1 is generated from the FPDS-NG and File E is generated from SAM. The Broker extracts the agency's procurement information from FPDS-NG and SAM for files D1 and E. The DATA Act Broker generates warnings and errors based on Treasury-defined rules. Errors represent major issues with submitted data that will not allow publication of the data. Warnings are less severe issues that will not prevent data publication.

The DATA Act requires that agency submissions be certified by the Senior Accountable Official (SAO). The SAO is a high-level senior official or their designee who is accountable for the quality and objectivity of Federal spending information. The SAO should ensure that the information conforms to OMB guidance on information quality and adequate systems and processes are in place within the agencies to promote such conformity. Once submitted, the data is displayed on USASpending.gov for taxpayers and policy makers.

Starting in FY 2019, OMB Circular A-123, Appendix A, *Management of Reporting and Data Integrity Risk* (M-18-16), established that agencies must develop a Data Quality Plan (DQP) to identify a control structure tailored to address identified risks. Quarterly certifications by the SAO should be based on the considerations of the agency's DQP.

The DATA Act also requires Inspectors General to review a statistically valid sample of the spending data submitted by their 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 agency. The Council of the Inspectors General on Integrity and Efficiency (CIGIE) issued the Federal Audit Executive Council (FAEC) *Inspectors General Guide to Compliance Under the DATA Act* to provide IGs with a common methodology and reporting approach to use when performing this mandated work. CSOSA contracted with Williams Adley to conduct an audit of CSOSA's FY 2019, Quarter 1 submission to satisfy this requirement.

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 December 22, 2015, CIGIE's chair issued a letter detailing the strategy for dealing with the Inspector General 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 A.

During the period of our audit, although CSOSA was using a Federal Shared Service Provider for maintaining their financial system, they did not use the provider to assist with any data act reporting. CSOSA, as the data owner, is primarily responsible to ensure that the integrity and quality of the data reported is complete, accurate and timely.

RESULTS OF AUDIT

Overall, CSOSA submitted information for inclusion in USAspending.gov for FY 2019, Quarter 1, untimely, but the information submitted was substantially accurate, complete, and in accordance with data standards. Additionally, we noted errors that suggest CSOSA could further enhance their controls for more accurate data reporting.

Assessment of Internal Control over Source Systems

In FY 2019, CSOSA used Oracle U.S. Federal Financials (Oracle) as its source system for processing and recording procurement and financial data and for generating its DATA Act submission. Within Oracle, contract obligations are created in one of two applications, Core Purchasing or Contract Lifecycle Management. Core Purchasing is currently used to process certain modifications to historical contracts created prior to October 1, 2015. Contract Lifecycle Management is used to record all new blanket purchase agreements, contracts, purchase orders, task/delivery orders/calls, and modifications to those Contract Lifecycle Management awards, as of October 1, 2015. We performed procedures to determine whether internal controls over these systems, as they relate to its FY 2019 Quarter 1 DATA Act submission, were properly designed, implemented, and operating effectively. Those procedures consisted of:

- Gaining an understanding of the source system used for recording procurement transactions and reporting under the DATA Act.
- Reviewing Interior Business Center's (IBC) Statement of Standards for Attestation Engagements Number 18 (SSAE 18), Service Organization Controls (SOC) 1, Type 2 report and determining whether any issues were noted that could have an impact on the accuracy, timeliness, or quality of the DATA Act submission.
- Reviewing the FY 2018 Financial Statement Audit Report of CSOSA to identify whether any issues were noted with internal controls that could have an impact on the accuracy, timeliness, or quality of the DATA Act submission
- Obtaining an understanding of Complementary User Entity Controls required by the SOC report and implemented by CSOSA to determine whether gaps exist that might impact the accuracy, timeliness, or quality of the DATA Act submission.

Based on the review of these internal controls over these systems, we found that CSOSA designed and implemented effective internal controls over its source system.

Assessment of Internal Controls over DATA Act Submission

We performed inquiries and document reviews 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 that improvements could be made.

We obtained an understanding of internal controls designed and implemented by CSOSA as it relates to its FY 2019, Quarter 1 DATA Act submission. CSOSA relies on their federal shared service provider, Interior Business Center (IBC), to perform key functions related to their financial system, Oracle. IBC serves as the system manager of Oracle and performs services to

CSOSA such as systems operations and maintenance and accounting support. However, as it relates to DATA Act, CSOSA prepares, reviews, validates and certifies the DATA Act files from Oracle themselves without the use of their federal shared service provider.

Starting in FY 2019, Treasury requires agencies to develop a DQP. As of our fieldwork date, CSOSA had not yet drafted a DQP. CSOSA believed that their standard operating procedures (SOP) document developed in FY 2019 was sufficient for this requirement. CSOSA's SOP contains organizational structure, key processes, timeliness and data entry instructions to provide internal controls over DATA Act financial and award data reporting. It also identifies common issues that result in DATA Act reporting errors. However, their SOP does not reflect the remaining requirements set forth in Appendix A of OMB Circular A-123, specifically it does not address the following elements:

1. A testing plan and identification of high-risk reported data,
2. how and when the risks identified will be addressed, and
3. CSOSA's process for identifying and assessing risks, specifically detailing the processes in place that govern the annual verification and validation of procurement data in the Federal Acquisition Regulations.

OMB Circular A-123, Appendix A, Management of Reporting and Data Integrity Risk (M-18-16), requires that agencies consider their DQP in their annual assurance statement on internal controls over reporting, beginning in FY 2019. It is important that CSOSA initiate the process of producing a formal DQP in adequate time for consideration in CSOSA's 2020 annual assurance statement.

On June 27, 2019, we met with CSOSA personnel to get an understanding of CSOSA's process for reconciliation, validation, and certification of quarterly spending data submitted for publication in USAspending.gov. CSOSA is comprised of two programs: Community Supervision Program and Pretrial Services Agency. Community Supervision Program is responsible for uploading and certifying both Community Supervision Program and Pretrial Services Agency data files from Oracle into the Broker. After File A, B, and C are generated from Oracle and File D1 is generated from FPDS-NG records, Community Supervision Program reviews the linkage between File C and File D1 as identified by the Broker. However, for the FY 2019 Quarter 1 DATA Act submission, they did not perform an internal reconciliation prior to uploading data into the Broker. Any warnings and errors that were noted by the Broker were then sent to Community Supervision Program and Pretrial Services Agency for analysis. During our testing, it was discovered that in relation to the FY 2019 first quarter submission, CSOSA focused only on errors that would prohibit submission of the files. Warnings were not investigated until after submission, if at all. See the results section below for further details.

Results of Sample Tests Performed at the Award Level

We selected a statistically-valid random sample of procurement award records included in CSOSA's File C for FY 2019, Quarter 1, to determine the completeness, accuracy, and timeliness of information submitted for publication in USAspending.gov. We also assessed CSOSA's implementation and use of the 57 data elements established by OMB and Treasury.

Sampling Methodology:

In accordance with the *CIGIE DATA Act Guide*, we selected a sample of certified spending data records for transaction level testing. The *CIGIE DATA Act Guide* recommends auditors select their sample from the Agency's File C if suitable for sampling. In order to determine whether CSOSA's File C was suitable for sampling, we:

- obtained an understanding of CSOSA's process for ensuring File C is complete and Broker warnings have been addressed.
- tested certain linkages between File C and File B, such as Treasury Account Symbol, object class, and program activity.
- tested Procurement Instrument Identifier (PIID) linkages between File C and File D1 to ensure records included in File D1 are included in File C and vice-versa.

Based on the work performed, we found File C suitable for sampling.

The *CIGIE DATA Act Guide* recommends a sample size of 385 records but provides an alternate sample size determination formula for agencies with smaller populations. CSOSA's FY 2019, Quarter 1 File C contains 36 records. We randomly selected a statistically valid sample using the criteria set forth by *CIGIE* in the *DATA Act Guide*⁴, as follows:

- Confidence level – 95 percent
- Expected error rate – 44.80 percent⁵
- Sample Precision – 5 percent

Using these boundaries, we selected a sample size of 35 records.

For each procurement record selected for testing, we compared the information in CSOSA'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.

Table 3: Completeness, Accuracy, and Timeliness Definitions

Attribute	Definition
Completeness	For each of the required data elements that should have been reported, the data element was reported in the appropriate files A through D1.
Accuracy	Amounts and other data relating to recorded transactions have been recorded in accordance with the DAIMS and agrees with authoritative source documentation.
Timeliness	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. To assess the timeliness of data elements:

⁴ Council of the Inspectors General on Integrity and Efficiency (CIGIE) FAEC Inspectors General Guide to Compliance under the *DATA Act*, 2/14/2019, Section 560.02

⁵ Determined based on the results of the November 2017 testing of CSOSA's *DATA Act* information as required by *CIGIE*

- Award financial data elements within File C should be reported within the quarter in which it occurred.
- Procurement award data elements within File D1 should be reported in FPDS-NG within 3 business days after contract award in accordance with the Federal Acquisition Regulations Part 4.604.

Source: CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act, 2/14/2019, Section 580.02-580.04

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

We verified the accuracy and completeness of File A by reconciling the data to the agency's Governmentwide Treasury Account Symbol Standard Form 133. We found that File A contained all data that should have been reported according to CSOSA's Standard Form 133. We then reconciled Files A and B to determine if there was accurate linkage between the files. Through our testwork, 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 testwork did not identify any significant variances between Files A, B, and C.

Completeness and Timeliness of Agency Submission

We evaluated CSOSA's DATA Act submission to Treasury's DATA Act Broker and determined that the submission was complete and submitted timely.

Due to the federal government shutdown between December 22, 2018 to January 25, 2019, Treasury DATA Act Program Management Office extended the due date for agency submissions for fiscal year 2019, first quarter to March 20, 2019. We reviewed the submission details on CSOSA's quarterly assurance statement and found that CSOSA certified their DATA Act files on March 28, 2019. The late submission was due to human error and corrected once the SAO identified the submission had not been successfully certified. Since this was past the due date set by Treasury, CSOSA's submission was determined to be untimely.

To determine whether CSOSA's submission was complete, we evaluated Files A, B, and C to determine whether all transactions and events that should have been recorded were recorded in the proper period. We noted the following issues with completeness of the File C and File D1 submission:

- We found four CSP procurement awards that were awarded during the FY 2018 fourth quarter period but were reported in CSOSA's File C in the FY 2019 first quarter. They were appropriately not recorded in the FY 2019 Quarter 1 File D1.
- We noted two instances where a CSP record was included in the FY 2019 Quarter 1 File C submission that should not have been. Both of these were related to a reallocation of funds that occurred contractually during FY 2018 second quarter and as such should not have been included in the File C submission for FY 2019 first quarter.
- Additionally, we saw two instances in which the obligations were appropriately recorded in File C, however were erroneously not reported in File D1. The first of these was a CSP transaction due to an Oracle data error. The second, the PSA action occurred

on December 27, 2018 but was overlooked and not entered into FPDS-NG until May 10, 2019.

- We noted two instances where a CSP record was included in the FY 2019 Quarter 1 File C submission and not present in File D1. CSP believed this activity should not have been included in File C. Both of these transactions were related to upward and downward adjustments, which according to the DATA Act Program Management Office should be recorded⁶. The agency was unable to provide supporting documentation for these samples.

These errors occurred because CSOSA was not performing a reconciliation prior to submitting FY 2019, Quarter 1 data. Although the Broker provided warnings, CSOSA did not research or attempt to resolve all warnings prior to validation and certification. Additionally, we noted that CSOSA did not perform sufficient research on all FY 2019 Quarter 1 warnings until we brought errors identified during our fieldwork to their attention.

As a result of these discrepancies and presence of records in File C that were not actions that occurred during the reporting period, we have determined that, although, File C is substantially complete, it contains records that should not have been included. In addition, based on the date of certification, File C was also untimely.

Record-Level Data and Linkages for Files C and D

We selected a sample of 35 records and tested 57 data elements for completeness, accuracy, and timeliness.

Completeness of the Data Elements

The projected error rate for the completeness of the data elements was 25.50%⁷. A data element was considered complete if the required data element that should have been reported was reported. Data completeness was affected mostly by transactions that were recorded appropriately in File C during FY 2019 Quarter 1 but not reported in File D1. Overall, this was due to time and resources, and not properly reconciling the files. Additionally, there was one sample in which the Legal Entity Congressional District field was blank on the File D1 submission, despite it being a required field. We found that the accurate congressional district is populated in SAM. However, it was not present in the FPDS-NG record. This error is not attributable to CSOSA and instead stemmed from an error in FPDS-NG pulling data from SAM. See further details in Appendix D.

Accuracy

The projected error rate for the accuracy of the data elements is 26.58%⁸. A data element was considered accurate when amounts and other data relating to recorded transactions were

⁶ DATA Act PMO, *FAQ and Examples Related to File C Transaction Obligated Amount (TOA)*, September 13, 2016.

⁷ Based on a 95% confidence level, the projected error rate for the completeness of the data elements is between 20.50% and 30.50%. *Margin of error is plus and minus 5 percentage points.*

⁸ Based on a 95% confidence level, the projected error rate for the accuracy of the data elements is between 21.58% and 31.58%. *Margin of error is plus and minus 5 percentage points.*

recorded in accordance with the DAIMS, and agreed with the authoritative source records. The majority of inaccuracies resulted from PSA inaccurately recording the current total value of award and potential total value of award data elements in FPDS-NG. CSOSA did not provide any specific reasoning for why this happened. Other inaccuracies we saw were human errors related to recording inaccurate period of performance dates and entering an inaccurate PIID record.

In addition, two samples tested were recorded in File C but not in File D1. They represented upward and downward adjustments and as such should have been reported in File C and File D1. CSOSA was unable to provide documentation other than their accounting system records supporting this activity and as such we were unable to verify the accuracy of what was recorded in File C. These errors were not investigated prior to the FY2019 Quarter 1 submission.

Timeliness of the Data Elements

The projected error rate for the timeliness of the data elements is 25.50%⁹. The timeliness of data elements was based on the reporting schedules defined by the procurement and financial assistance requirements. The errors in timeliness were related to the six sample records that were either recorded in File C and/or File D1 when they should not have been or were not recorded in File D1 when they should have been.

Quality

The quality of the data elements was determined using the midpoint of the range of the proportion of errors (error rate) for completeness, accuracy and timeliness. 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.

Table 4: Data Quality Levels

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 26.58%, we determined that the quality of CSOSA's data is considered **moderate**.

Implementation and Use of the Data Standards

In evaluating CSOSA's implementation and use of the government-wide financial data standards for spending information as developed by OMB and Treasury, we determined that overall CSOSA used the data standards as defined.

⁹ Based on a 95% confidence level, the projected error rate for the timeliness of the data elements is between 20.50% and 30.50%. *Margin of error is plus and minus 5 percentage points.*

Results of Work Performed Related to Federal Shared Service Providers

Federal shared services are arrangements under which one agency (the provider) provides information technology, human resources, financial, or other services to other departments, agencies, and bureaus (the customers). As discussed above, CSOSA uses the Federal Shared Service Provider IBC for financial services, including maintaining their Oracle system. However, CSOSA does not utilize IBC in its process for preparing and submitting data for inclusion in USASpending.gov.

We reviewed IBC's SSAE 18, SOC 1, Type 2 report and related gap letter to determine whether any issues were noted that could have an impact on the accuracy, timeliness, or quality of CSOSA's DATA Act submission. The SOC report did not contain any findings that affect CSOSA's ability to submit accurate, complete, and timely data for publication on USASpending.gov.

We also obtained an understanding of Complementary User Entity Controls required by the SOC report and implemented by IBC and did not note any gaps that might impact the accuracy, timeliness, or quality of the DATA Act submission.

We also reviewed the results of our FY 2018 Financial Statement Audit of CSOSA. While we did note that there were significant deficiencies identified in the report, we do not believe those could directly affect the timeliness, accuracy, or completeness of the DATA Act submission. Additionally, we did identify certain control weaknesses related to CSOSA's noncompliance with OMB Circular A-123. CSOSA's Risk Management process was lacking, specifically surrounding the internal controls assessment and developing, documenting and regularly reassessing risks identified. While we found the control environment surrounding the DATA Act submission to be acceptable, we are recommending CSOSA work to develop a formal DQP to identify and address risks related to DATA Act. Overall, we do not believe these previous Financial Statement findings substantially impacted the FY 2019 Quarter 1 DATA Act submission.

Conclusion

We conclude that, overall, CSOSA's FY 2019, Quarter 1 submission for publication on USASpending.gov was untimely, complete, and the data was of moderate quality. However, we identified four areas that CSOSA can improve to strengthen controls surrounding its DATA Act process. This included concerns with CSOSA's process for reconciling and validating their DATA Act submission, which led to a number of completeness, accuracy and timeliness errors in the data reported. With more frequent reconciliations it will allow more time for CSOSA to properly investigate and resolve any variances or errors prior to submitting their files. These changes, if properly implemented, could further improve the accuracy, completeness, and timeliness of CSOSA's submitted data.

RECOMMENDATIONS

We recommend CSOSA management:

1. Develop a data quality plan as required by OMB Circular A-123, Appendix A, Management of Reporting and Data Integrity Risk (M-18-16), to include a testing plan and identification of high-risk reported data in order to strengthen the SAO's validation of quarterly data.
2. Design controls to confirm certification and submission of quarterly DATA Act files to ensure timeliness of the submission.
3. Enhance controls to ensure File C transactions are recorded within the quarter in which they occurred.
4. Implement an internal reconciliation process prior to DATA Act submission, including the process to address any variances.

APPENDIX A – ANOMALY LETTER

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.



December 22, 2015

The Honorable Ron Johnson
Chairman
The Honorable Thomas Carper
Ranking Member
Committee on Homeland Security
and Governmental Affairs
United States Senate
Washington, D.C.

The Honorable Jason Chaffetz
Chairman
The Honorable Elijah Cummings
Ranking Member
Committee on Oversight and Government Reform
U.S. House of Representatives
Washington, D.C.

Dear Mr. Chairmen and Ranking Members:

The Council of the Inspectors General on Integrity and Efficiency (CIGIE) recognizes and appreciates your leadership on issues of Government transparency and accountability. In particular, we believe the enactment last year of the Digital Accountability and Transparency Act of 2014 (DATA Act) will significantly improve the quality of Federal spending data available to Congress, the public, and the accountability community if properly implemented. To make sure this happens, the DATA Act provides for strong oversight by way of the Federal Inspectors General and the Government Accountability Office (GAO). In particular, the DATA Act requires a series of reports from each to include, among other things, an assessment of the completeness, timeliness, quality, and accuracy of data submitted by agencies under the DATA Act.

I am writing this letter on behalf of CIGIE to inform you of an important timing anomaly with the oversight requirement for Inspectors General in the DATA Act. Your staffs have been briefed on this timing anomaly, which affects the first Inspector General reports required by the DATA Act. Specifically, the first Inspector General reports are due to Congress in November 2016. However, the agencies we oversee are not required to submit spending data in compliance with the DATA Act until May 2017. As a result, Inspectors General would be unable to report on the spending data submitted under the Act, as this data will not exist until the following year. This anomaly would cause the body of reports submitted by the Inspectors General in November 2016 to be of minimal use to the public, the Congress, the Executive Branch, and others.

To address this reporting date anomaly, the Inspectors General plan to provide Congress with their first required reports in November 2017, a one-year delay from the due date in statute, with subsequent reports following on a two-year cycle, in November 2019 and November 2021. We believe that moving the due dates back one year will enable the Inspectors General to meet the

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

Although we think the best course of action is to delay the Inspector General reports, CIGIE is encouraging the Federal Inspector General Community to undertake DATA Act "readiness reviews" at their respective agencies well in advance of the first November 2017 report. Through a working group, CIGIE has developed guidance for these reviews. I am pleased to report that several Inspectors General have already begun reviews at their respective agencies, and many Inspectors General are planning to begin reviews in the near future. We believe that these reviews, which are in addition to the specific oversight requirements of the Act, will assist all parties in helping to ensure the success of the DATA Act implementation.

We have kept GAO officials informed about our plan to delay the first Inspector General reports for one year, which they are comfortable with, and our ongoing efforts to help ensure early engagement through Inspector General readiness reviews.

Should you or your staffs have any questions about our approach or other aspects of our collective DATA Act oversight activities, please do not hesitate to contact me at (202) 514-3435.

Sincerely,



Michael E. Horowitz
Chair, Council of the Inspectors General on Integrity and Efficiency
Inspector General, U.S. Department of Justice

cc: The Honorable David Mader, Controller, OMB
The Honorable Gene Dodaro, Comptroller General, GAO

APPENDIX B – CSOSA’s RESULTS FOR THE DATA ELEMENTS

The table below summarizes the results of our data element testing. Results are sorted in descending order by accuracy error rate (the data element with highest accuracy error rate is listed first).

Since CSOSA’s DQP was not completed at the time of our fieldwork, we were unable to determine whether these risks are consistent with the risks identified in its DQP. However, we did find that a number of errors were ones that CSOSA identified in their SOP as the most common reconciliation issues.

Table 5: File D1 Results - Procurement Awards¹⁰

CSOSA's results listed in descending order by accuracy error rate percentage.					
Accuracy (A), Completeness (C), Timeliness (T)					
Data Element No.	File	Data Element Name	Error Rate ¹¹		
			C	A	T
24	File C	Parent Award ID Number	29%	29%	29%
14	File D1	Current Total Value of Award	11%	26%	11%
15	File D1	Potential Total Value of Award	11%	26%	11%
34	File C	Award ID Number (PIID)	23%	26%	23%
50	File C	Object Class	23%	26%	23%
51	File C	Appropriations Account	23%	23%	23%
53	File C	Obligation	23%	23%	23%
26	File D1	Period of Performance Start Date	11%	19%	11%
27	File D1	Period of Performance Current End Date	11%	19%	11%
24	File D1	Parent Award ID Number	15%	15%	15%
6	File D1	Legal Entity Congressional District	15%	15%	15%
25	File D1	Action Date	11%	15%	11%
28	File D1	Period of Performance Potential End Date	11%	15%	11%
1	File D1	Awardee/Recipient Legal Entity Name	11%	11%	11%
2	File D1	Awardee/Recipient Unique Identifier	11%	11%	11%
3	File D1	Ultimate Parent Unique Identifier	11%	11%	11%
4	File D1	Ultimate Parent Legal Entity Name	11%	11%	11%
5	File D1	Legal Entity Address	11%	11%	11%
7	File D1	Legal Entity Country Code	11%	11%	11%
8	File D1	Legal Entity Country Name	11%	11%	11%
11	File D1	Federal Action Obligation	11%	11%	11%
16	File D1	Award Type	11%	11%	11%

¹⁰ Data elements that are not required or applicable to a sample are not included in the calculation of error rates.

¹¹ All estimates from the sample have a margin of error no greater than plus or minus 5 percentage points unless otherwise noted.

CSOSA's results listed in descending order by accuracy error rate percentage.					
Accuracy (A), Completeness (C), Timeliness (T)					
Data Element No.	File	Data Element Name	Error Rate ¹¹		
			C	A	T
17	File D1	NAICS Code	11%	11%	11%
18	File D1	NAICS Description	11%	11%	11%
22	File D1	Award Description	11%	11%	11%
30	File D1	Primary Place of Performance Address	11%	11%	11%
31	File D1	Primary Place of Performance Congressional District	11%	11%	11%
32	File D1	Primary Place of Performance Country Code	11%	11%	11%
33	File D1	Primary Place of Performance Country Name	11%	11%	11%
34	File D1	Award ID Number (PIID)	11%	11%	11%
36	File D1	Action Type	11%	11%	11%
38	File D1	Funding Agency Name	11%	11%	11%
39	File D1	Funding Agency Code	11%	11%	11%
40	File D1	Funding Sub Tier Agency Name	11%	11%	11%
41	File D1	Funding Sub Tier Agency Code	11%	11%	11%
42	File D1	Funding Office Name	11%	11%	11%
43	File D1	Funding Office Code	11%	11%	11%
44	File D1	Awarding Agency Name	11%	11%	11%
45	File D1	Awarding Agency Code	11%	11%	11%
46	File D1	Awarding Sub Tier Agency Name	11%	11%	11%
47	File D1	Awarding Sub Tier Agency Code	11%	11%	11%
48	File D1	Awarding Office Name	11%	11%	11%
49	File D1	Awarding Office Code	11%	11%	11%
23	File D1	Award Modification / Amendment Number	8%	8%	8%
56	File C	Program Activity	N/A	N/A	N/A
29	File D1	Ordering Period End Date	N/A	N/A	N/A

Source: Auditor generated based on results of testing

APPENDIX C – 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.

Table 6: Accuracy of Dollar Value Related Data Elements

Accuracy of Dollar-Value Related Data Elements							
	Data Element	Accurate	Not Accurate	N/A	Total Tested	Error Rate	Absolute Value of Errors ¹²
DE 11	Federal Action Obligation	24	3	8	35	11.11%	\$35,190.11
DE 14	Current Total Value of Award	20	7	8	35	25.93%	\$10,852,416.15
DE 15	Potential Total Value of Award	20	7	8	35	25.93%	\$20,514,861.78
DE 53	Transaction Obligation Amount	27	8	-	35	22.86%	\$252,836.91
	Total	91	25	24	140		\$31,655,304.95

Source: Auditor generated based on results of testing

¹² Absolute Value of Errors is not projectable because the statistical sample test was performed on attributes and not on monetary amounts.

APPENDIX D – ANALYSIS OF ERRORS IN DATA ELEMENTS NOT ATTRIBUTABLE TO THE AGENCY

Our statistical sampling results included all errors discovered in the data reported, whether the error was caused by the agency or a third-party system.¹³

During our testing we found one procurement award that did not have data reported for the File D1 data element 6, Legal Entity Congressional District. This field is required. We verified that the district was reported for this vendor on SAM. We then confirmed that the data reported on SAM, congressional district 3, was accurate by utilizing the House of Representatives search by zip-code tool¹⁴. Although it was present on SAM, we noted that the field was blank on FPDS-NG. This led to the data not being reported on USAspending. Since the error originated from FPDS-NG incompletely pulling the vendor data from SAM, the error is not attributable to the agency.

The agency was unaware of the error until we brought it to their attention. At the time of fieldwork, the issue had not been communicated to FPDS-NG. We are unaware if this party has been informed since then or whether they have plans to correct the issue.

Table 7: Errors in Data Elements Not Attributable to the Agency

Errors in Data Elements Not Attributable to the Agency			
PIID/FAIN	Data Element		Attributed to
PIID	DE 6	Legal Entity Congressional District	FPDS-NG not extracting complete information from SAM

Source: Auditor generated based on results of testing

¹³ CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act, 2/14/2019, Section 590.06

¹⁴ House of Representatives, Find Your Representative, <https://www.house.gov/representatives/find-your-representative>.

APPENDIX E – STANDARD LANGUAGE FOR REPORTING PROVIDED BY THE COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY

Testing Limitations for Data Reported in File E

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 financial assistance awardees register in SAM at the time of the award. As such, we did/did not assess the completeness, timeliness, quality, and accuracy of the data extracted from SAM and FSRS via the DATA Act broker system.

Period of Performance Start Dates for Procurement Awards

The DATA Act Information Model Schema (DAIMS) defines Period of Performance Start Date as the date on which, for the award referred to by the action being reported, awardee effort begins or the award is otherwise effective. For modifications of procurement awards, it is not clear whether “the award referred to” is the initial award or the modification and neither the Office of Management and Budget nor Treasury’s DATA Act Program Management Office has issued guidance with specific instructions on this. Thus, for procurement awards with modifications, if agencies recorded the initial award date or the date of the modification as the start date, in accordance with their internal policies and procedures/practices, it is not an error for DATA Act reporting purposes.

APPENDIX F – OBJECTIVES, SCOPE AND METHODOLOGY

The objectives of this audit are to assess (1) the completeness, accuracy, timeliness, and quality of the financial and award data Court Services and Offender Supervision Agency (CSOSA) submitted for publication on USASpending.gov and (2) CSOSA's implementation and use of the Government-wide financial data standards established by OMB and the Department of Treasury (Treasury).

To achieve these objectives, we met with CSOSA management and staff to obtain an understanding of processes and internal controls related to the preparation and certification of the Fiscal Year (FY) 2019, Quarter 1 Digital Accountability and Transparency Act of 2014 (DATA Act) submission. We also assessed whether internal and information system controls as they relate to the extraction of data from the source systems and the reporting of data to the DATA Act Broker¹⁵ have been properly designed, implemented, and are operating effectively. We also reviewed SOC reports over source systems to determine findings that could have a significant impact on CSOSA's DATA Act submission.

We selected a statistically valid sample of certified spending data from CSOSA's certified File C (award level transactions) for testing to determine whether CSOSA's DATA Act submission was complete, timely and accurate.

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

We conducted our performance audit from June 1, 2019 to October 30, 2019 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.

¹⁵ The DATA Act Broker is a tool that The Department of the Treasury developed to allow agencies to submit the required data in a standardized format for publication on USASpending.gov.

APPENDIX F - ACRONYMS

CIGIE	Council of the Inspectors General on Integrity and Efficiency
CSOSA	Court Services and Offender Supervision Agency
DAIMS	DATA Act Information Model Schema
DATA Act	Digital Accountability and Transparency Act of 2014
DQP	Data Quality Plan
FAEC	Federal Audit Executive Council
FY	Fiscal Year
FPDS-NG	Federal Procurement Data System - Next Generation
FFATA	Federal Funding Accountability and Transparency Act of 2006
FSRS	FFATA Subaward Reporting System
IBC	Interior Business Center
OMB	Office of Management and Budget
PIID	Procurement Instrument Identifier
SAM	System for Award Management
SAO	Senior Accountable Official
SOC	Service Organization Controls
SOP	Standard Operating Procedures

APPENDIX G - MANAGEMENT COMMENTS

For the FY 2019 Q1 Data Act process, CSOSA developed and uploaded (validated with warnings) Files A, B & C to the Treasury Broker on February 21, 2019. CSOSA investigated, categorized and reported on the Broker warnings from the February 21, 2019 validated data on March 12, 2019. Approximately eight (8) of the FY 2019 Q1 CSP warnings were thoroughly researched and explained at the detailed transaction/date level by CSP as part of the March 12, 2019 report. Due to delays caused by the Government shutdown and continued research of FY 2019 Q1 errors, CSOSA's FY 2019 Q1 data was not certified by the CSOSA SAO until March 28, 2019.

CSOSA's FY 2019 Q2 (March 2019) and Q3 (June 2019) Data Act data was submitted (validated) to the Broker and certified in a timely manner. CSOSA/CSP performed a complete review of April 2019 (interim) Broker data warnings and pro-actively corrected errors prior to validation and certification of FY 2019 Q3 data. Similarly, CSOSA/CSP performed a complete review of each FY 2019 Q3 warning and, where possible, performed corrections in the Oracle and FPDS-NG systems.

CSOSA/CSP developed a Standard Operating Procedure guide and held in-person training to address recurring Oracle (File C) and FPDS-NG (File D) data and timing reconciliation issues in spring 2019. CSOSA/CSP plans to develop a formal Operational Instruction in FY 2020 to address roles, responsibilities and testing/correction procedures and timelines necessary to ensure and improve data quality. Finally, CSOSA plans to continue to address Oracle File C data issues with our financial services provider, IBC, to ensure File C data meets Data Act criteria. Certain of the FY 2019 Q1 data issues identified in this report are due to Oracle File C data issues.

PSA has implemented a 100% internal review of all transactions beginning in FY 2020. This review is conducted by the senior contracting officer and includes 1) verification that an FPDS CAR is created for all reportable actions, 2) that CAR is created in a timely manner, 3) that all dates (e.g., action date, date signed, and periods of performance) match the corresponding Oracle record, and 4) that all action and total amounts reported to FPDS match the records within Oracle. During the review, FPDS CARs not found to reconcile with Oracle records are corrected.

The PSA senior contracting officer has begun a series of reviews with agency contracting officers to ensure/reemphasize what data should be entered in each field of the FPDS CAR. Part of this review includes stressing the importance of data fields particularly when creating the CAR outside the contract writing system.