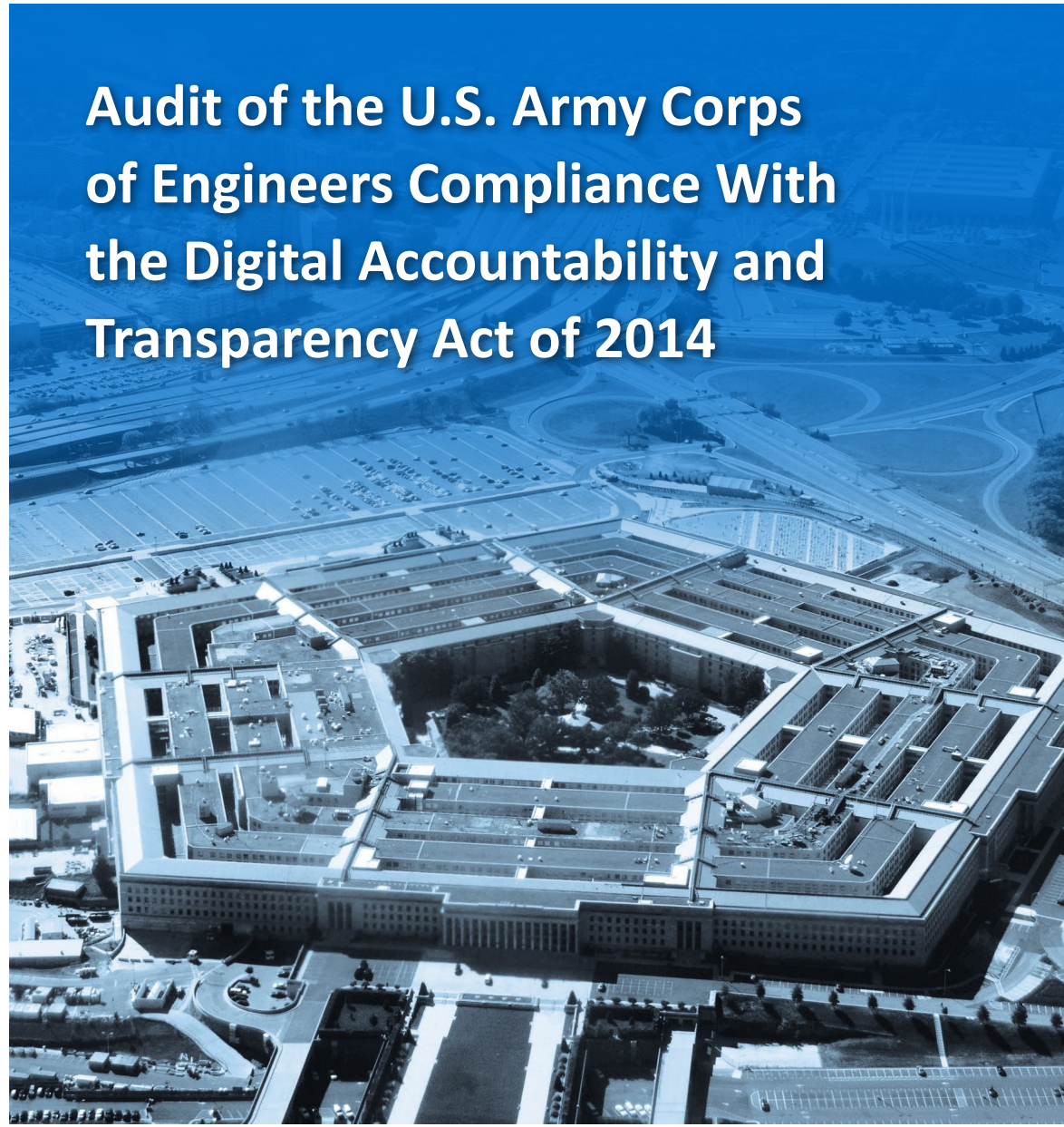




INSPECTOR GENERAL

U.S. Department of Defense

NOVEMBER 8, 2021



Audit of the U.S. Army Corps of Engineers Compliance With the Digital Accountability and Transparency Act of 2014

INTEGRITY ★ INDEPENDENCE ★ EXCELLENCE





Results in Brief

Audit of the U.S. Army Corps of Engineers Compliance With the Digital Accountability and Transparency Act of 2014

November 8, 2021

Objective

The objective of this audit was to determine whether the U.S. Army Corps of Engineers (USACE) complied with Public Law 113-101, "Digital Accountability and Transparency Act of 2014" (DATA Act). We assessed the accuracy, completeness, timeliness, and overall quality of USACE's fourth quarter FY 2020 financial and award data submitted for publication on USAspending.gov. We also assessed USACE's implementation and use of the Government-wide financial data standards (data elements) established by the Office of Management and Budget (OMB) and the Department of the Treasury (the Treasury).

Background

On May 9, 2014, the President signed the DATA Act into law, expanding requirements of the Federal Funding Accountability and Transparency Act of 2006 (FFATA). The FFATA required OMB to establish a single searchable public website (USAspending.gov) to disclose information on Federal contract and grant awards to enable members of the public to track how their tax dollars are spent. The DATA Act expands the FFATA by requiring Federal agencies to submit their spending data quarterly, and to link that data to contract and grant award data to enable taxpayers and policy makers to track Federal spending more effectively. OMB and the Treasury developed financial data standards that define the data elements that agencies must report under the DATA Act. Data elements categorize Federal spending information displayed on USAspending.gov.

Background (cont'd)

Federal agencies submit their financial and award data to the Treasury's DATA Act Broker application, which compiles agency data for publication on USAspending.gov. Agencies are required to use the DATA Act Broker to upload three files containing data from their internal financial systems and records.

- **File A – Appropriations Account.** File A contains the fiscal year cumulative appropriations account summary data.
- **File B – Object Class and Program Activity.** File B contains the appropriation account data listed in File A further defined by object class code and program activity name.
- **File C – Award Financial or Financial Data for Procurement and Grant Awards.** File C contains transaction-level financial data for all procurements and grants processed during the quarter.

The DATA Act Broker extracts spending data from Government-wide award reporting systems that contain data on Federal contracts, grants, and award recipients.

- **File D1 – Procurement.** File D1 contains procurement award and awardee data extracted from the Federal Procurement Data System-Next Generation.
- **File D2 – Grants.** File D2 contains grant award and awardee data extracted from the Financial Assistance Broker Submission system on grant and other financial assistance awards.
- **File E – Additional Awardee Data.** File E contains information extracted from the System for Award Management on the award recipients.
- **File F – Sub-award Data.** File F contains information extracted from the FFATA Sub-award Reporting System on awards made to sub-recipients under a prime contract or grant award.



Results in Brief

Audit of the U.S. Army Corps of Engineers Compliance With the Digital Accountability and Transparency Act of 2014

Background (cont'd)

Federal agencies are required to designate a Senior Accountable Official (SAO), who is responsible for providing reasonable assurance that the agency's internal controls support the reliability and validity of the data reported for publication on USAspending.gov. The Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, designated the Deputy Chief Financial Officer as the USACE SAO.

Finding

USACE did not comply with all DATA Act requirements for its fourth quarter FY 2020 submission. Although USACE used the Government-wide data standards, the SAO certified the USACE DATA Act submission timely, and the File A and B data matched the data submitted in the SF 133; the data elements included in Files C and D1 were not accurate, complete, or timely. Specifically, the projected error rates for Files C and D1 were 9.6 percent for accuracy, 2.2 percent for completeness, and 4.3 percent for timeliness. The errors were primarily attributable to File D1 and occurred because data was inaccurately or incompletely entered into the Federal Procurement Data System-Next Generation. In addition, USACE did not report any of the 105 coronavirus disease-2019 outlays that should have been reported in its fourth quarter FY 2020 File C submission. The transactions were not reported because of a coding error in the File C upload process.

Based on the calculation required by the Council of the Inspectors General on Integrity and Efficiency Federal Audit Executive Council's Inspectors General Guide to Compliance under the DATA Act, the overall quality of the USACE data was in the "Higher" range. Although the quality of the financial and award data

has improved when compared to USACE's DATA Act submission for the first quarter of FY 2019, USACE's DATA Act submission on USAspending.gov cannot be fully relied upon. Further reductions in the number of errors in USACE's DATA Act submission will continue to improve the overall data quality. The better USACE's data quality, the more effectively taxpayers and policy makers can track Federal spending and the closer USACE is to meeting the DATA Act objective of providing transparent Federal spending data for publication on USAspending.gov.

Recommendations

We recommend that the USACE Chief of Engineers and Commanding General provide documentation to support that the coding error that removed coronavirus disease-2019 outlays from File C was corrected for the fourth quarter of FY 2020 and subsequent submissions; and revise and implement the USACE data quality plan to be consistent with Federal guidance, by including a process for ensuring that disaster and emergency relief funds are complete and accurate before making monthly and quarterly DATA Act submissions.

Management Comments and Our Response

The USACE Director of Resource Management, responding for the USACE Chief of Engineers and Commanding General, agreed with the recommendations. We will close the recommendations once we verify that the agreed-upon actions are complete. Please see the Recommendations Table on the next page for the status of recommendations.

Recommendations Table

Management	Recommendations Unresolved	Recommendations Resolved	Recommendations Closed
USACE Chief of Engineers and Commanding General	None	1, 2	None

Note: The following categories are used to describe agency management’s comments to individual recommendations.

- **Unresolved** – Management has not agreed to implement the recommendation or has not proposed actions that will address the recommendation.
- **Resolved** – Management agreed to implement the recommendation or has proposed actions that will address the underlying finding that generated the recommendation.
- **Closed** – OIG verified that the agreed-upon corrective actions were implemented.





**INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
4800 MARK CENTER DRIVE
ALEXANDRIA, VIRGINIA 22350-1500**

November 8, 2021

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER)/
CHIEF FINANCIAL OFFICER, DOD
AUDITOR GENERAL, DEPARTMENT OF THE ARMY

SUBJECT: Audit of U.S. Army Corps of Engineers Compliance With the Digital
Accountability and Transparency Act of 2014 (Report No. DODIG-2022-028)

This final report provides the results of the DoD Office of Inspector General's audit. We previously provided copies of the draft report and requested written comments on the recommendations. We considered management's comments on the draft report when preparing the final report. The comments are included in this report.

This report contains two recommendations that are considered resolved and open. As described in the Management Comments on the Finding and Our Response section of this report, we will close the recommendations when you provide us documentation showing that the agreed-upon actions to implement recommendations are completed. Therefore, please provide us within 90 days your response concerning specific actions in process or completed on the recommendations. Send your response to either followup@dodig.mil if unclassified or rfunet@dodig.smil.mil if classified SECRET.

If you have any questions, please contact me at [REDACTED].
We appreciate the cooperation and assistance received during the audit.

A handwritten signature in cursive script, reading "Carol N. Gorman", is positioned above the typed name.

Carol N. Gorman
Assistant Inspector General for Audit
Cyberspace Operations

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Introduction

Objective

The objective of this audit was to determine whether the U.S. Army Corps of Engineers (USACE) complied with Public Law 113-101, “Digital Accountability and Transparency Act of 2014” (DATA Act).¹ We assessed the completeness, accuracy, timeliness, and overall quality of USACE’s fourth quarter FY 2020 financial and award data submitted for publication on USAspending.gov. We also assessed USACE’s implementation and use of the Government-wide financial data standards (data elements) established by the Office of Management and Budget (OMB) and the Department of the Treasury (the Treasury). See Appendix A for a discussion of the audit scope and methodology, and Appendix B for prior audit coverage. See the Glossary for definitions of terms used in the report that relate to the DATA Act and the reporting of financial and award data.

Background

On May 9, 2014, the President signed the DATA Act into law, expanding requirements of the Federal Funding Accountability and Transparency Act of 2006 (FFATA).² The FFATA required OMB to establish a single searchable public website that disclosed information on Federal contract and grant awards to enable members of the public to track how their tax dollars are spent. To meet the FFATA requirement, OMB established the website USAspending.gov and began reporting award data in 2008. The DATA Act expands the FFATA by requiring Federal agencies to submit their spending data quarterly, and to link that data to contract and grant award data to enable taxpayers and policy makers to track Federal spending more effectively.³

The DATA Act also directed OMB and the Treasury to develop joint Government-wide financial data standards to ensure consistent DATA Act reporting across Federal agencies. To meet the DATA Act requirement, OMB and the Treasury developed financial data standards that define 59 data elements that agencies must report under the DATA Act.⁴ Data elements categorize Federal spending information displayed on USAspending.gov. See Appendix C for the DATA Act elements and

¹ Public Law 113-101, “Digital Accountability and Transparency Act of 2014,” May 9, 2014.

² Federal Funding Accountability and Transparency Act of 2006 (FFATA), Amended January 3, 2008. Public Law No. 109-282, 120 Stat. 1186 (September 26, 2006), codified at 31 U.S.C. § 6101 note.

³ Congressional Research Service, “Tracking Federal Awards: USAspending.gov and Other Data Sources,” October 24, 2017, Updated December 16, 2020.

⁴ Federal Spending Transparency Data Standards, August 31, 2015.

the data definitions. In addition, OMB and the Treasury developed standard reporting formats and issued guidance to Federal agencies on how to meet the DATA Act reporting requirements.

DATA Act Submission

Federal agencies submit their financial and award data to the Treasury's DATA Act Broker application, which compiles agency data for publication on USAspending.gov. Agencies are required to use the DATA Act Broker to upload three files containing data from their internal financial systems and records.

- **File A – Appropriations Account.** File A contains the fiscal year cumulative appropriations account summary data. File A contains 6 of the 59 data elements, including the amount appropriated and obligated during the fiscal year.⁵ The data in File A should match the data reported in the agency's Standard Form 133 (SF-133), "Report on Budget Execution and Budgetary Resources," which is submitted to the Treasury each month.
- **File B – Object Class and Program Activity.** File B contains the appropriation account data listed in File A but is further defined by object class code and program activity name. An object class code is a combination of digits used to identify obligations by the items or services purchased by the U.S. Government. The object class codes in File B should match the codes identified in Section 83 of OMB Circular No. A-11.⁶ A program activity name and code is a specific activity or project listed in the program and financing schedules of the annual budget of the Federal agency. The program activity names and codes should match the names and codes defined in the President's budget and the OMB MAX Collect.⁷ In addition, the total amount of File B should equal File A.
- **File C – Award Financial or Financial Data for Procurement and Grant Awards.** File C contains transaction-level financial data for all procurements and grants processed during the quarter. File C is a subset of File B and contains 9 of the 59 data elements.

⁵ According to the GAO-16-464SP report, Principles of Federal Appropriations Law, Chapter 2 - The Legal Framework, Fourth Edition, 2016 Revision, March 10, 2016, appropriations are a Federal agency's legal authority to spend or obligate funds. According to the Fiscal Law Overview from the DoD Standards of Conduct Office, an obligation is a commitment that creates a legal liability of the Government for payment. For example, when a contract is signed, it creates a legal liability for the Government to pay the contractor in accordance with the terms of the contract.

⁶ OMB Circular No. A-11, "Preparation, Submission, and Execution of the Budget," June 2018, Revised December 23, 2020. Although OMB Circular No. A-11 was revised in April 2021, the audit team used the December 2020 revision because the audit scope was the fourth quarter of FY 2020.

⁷ The OMB MAX Collect is a shared database developed by OMB for Federal agencies to update program activity data in the President's budget.

The DATA Act Broker extracts spending data from Government-wide award reporting systems that contain data on Federal contracts, grants, and award recipients. Those systems include the Federal Procurement Data System–Next Generation (FPDS-NG), the System for Award Management, the Financial Assistance Broker Submission, and the FFATA Sub-award Reporting System. The following four files are produced with the extracted information.

- **File D1 – Procurement.** File D1 contains procurement award and awardee data extracted from the FPDS-NG. The FPDS-NG is the single authoritative repository used to collect and report on Federal procurement award data. Contracting officers are required to submit complete and accurate contract information to the FPDS-NG within three business days after a contract is awarded. File D1 contains 41 of the 59 data elements, including award identification number, award description, and place of performance. Transactions can be traced from File D1 to File C using the award identification number.
- **File D2 – Grants.** File D2 contains grant award and awardee data extracted from the Financial Assistance Broker Submission system on grant and other financial assistance awards. Grant officers are required to report accurate information to the Financial Assistance Broker Submission system within 30 days after grant award. File D2 contains 39 of the 59 data elements, including identification number, awardee or recipient legal entity name, place of performance, and period of performance.⁸ Transactions can be traced from File D2 to File C using the award identification number.
- **File E – Additional Awardee Data.** File E contains information extracted from the System for Award Management on the award recipients. The System for Award Management is a reporting website where business entities looking to do business with the U.S. Government must register, and award recipients enter information on their five most highly compensated officers, managing partners, or other employees in management positions.
- **File F – Sub-award Data.** File F contains information extracted from the FFATA Sub-award Reporting System on awards made to sub-recipients under a prime contract or grant award. The FFATA Sub-award Reporting System is the reporting website where Federal prime awardees, such as prime contractors and prime grants recipients, report information on sub-award recipients and executive compensation data.

⁸ For the FY 2019 DATA Act audit, the Council of the Inspectors General on Integrity and Efficiency Federal Audit Executive Council required auditors to test 40 data elements in File D2; however, this number was reduced to 39 for the FY 2021 audit. Specifically, for the FY 2021 audit, the Current Total Value of Award data element is only required for File D1 (Procurement).

The DATA Act Broker validates the files before submitting them to USAspending.gov. The validation checks determine whether the files follow the standardized format and structure, and verify accuracy and completeness of the data. If a validation check identifies a discrepancy, the DATA Act Broker issues a warning message or error to the agency. The DATA Act Broker will still accept the submission if a warning message is issued but will not accept the submission if an error is issued. The agency must resolve the errors before the DATA Act Broker will accept the submission. See Appendix D, which shows the 59 data elements mapped to Files A through D2 and the linkages between the Files. See Appendix E for the DATA Act Information Flow Diagram.

Coronavirus Aid, Relief, and Economic Security Act Reporting Requirements

In April 2020, OMB issued guidance that expanded and modified the DATA Act reporting requirements to allow Federal agencies to comply with reporting requirements in the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding for reporting on the use of covered (supplemental) funds.⁹ Specifically, the guidance requires Federal agencies to include two additional data elements in their DATA Act submissions to provide transparency of spending in response to the coronavirus disease–2019 (COVID-19) pandemic, which increased the total number of reported data elements from 57 to 59. The two additional data elements are specific to supplemental funds expended in support of COVID-19 pandemic relief.

Agencies must include in Files B and C a Disaster Emergency Fund Code (DEFC), which indicates whether the funding is emergency or disaster spending, OMB M-20-21 instructs agencies to use a DEFC “N” to indicate CARES Act supplemental funding designated as an emergency. Additionally, agencies must include the National Interest Action code, P20C, in their File D1 to identify any procurement actions related to the response to the COVID-19 pandemic. The OMB guidance also requires the agency’s submissions to include a running total of COVID-19 outlays for each award in File C funded with COVID-19 relief funds, which includes funding provided by COVID-19 relief legislation such as the CARES Act.¹⁰

⁹ OMB Memorandum M-20-21, “Implementation Guidance for Supplemental Funding Provided in Response to the Coronavirus Disease 2019 (COVID-19),” April 10, 2020. “Public Law 116-136, ‘Coronavirus Aid, Relief, and Economic Security Act (CARES Act)’” March 27, 2020.

¹⁰ An outlay is a payment to liquidate an obligation.

Senior Accountable Official

OMB requires Federal agencies to designate a Senior Accountable Official (SAO), who is responsible for providing reasonable assurance that the agency's internal controls support the reliability and validity of the agency data reported to the DATA Act Broker for publication on USAspending.gov.¹¹ The SAO is required to certify that the data in each DATA Act file submitted for display on USAspending.gov are valid and reliable. The Under Secretary of Defense (Comptroller)/Chief Financial Officer (CFO), DoD, designated the Deputy CFO as the DoD SAO.

To help the DoD SAO with complying with the DATA Act, the Office of the Under Secretary of Defense for Acquisition and Sustainment is responsible for overseeing procurement award data (File D1), and the Office of the Under Secretary of Defense for Research and Engineering is responsible for overseeing grant award data (File D2). The Federal agencies are required to develop a data quality plan that identifies a control structure for identifying risks related to data quality and development of controls to manage that risk.¹² The SAO certifications should be based on the controls and testing defined in the data quality plan and other internal controls documented by the agency.¹³

Inspector General Responsibilities Under the DATA Act

The DATA Act requires that the Inspector General of each Federal agency periodically report on their agency's DATA Act submission. Specifically, the DATA Act requires the Inspector General to review a statistically valid sample of the spending data contained in the agency's submission, and report on the completeness, accuracy, timeliness, and quality of the data sampled. In addition, the DATA Act requires an assessment of the agency's implementation and use of Government-wide financial data standards.

The Federal Audit Executive Council (FAEC), a subcommittee of the Council of the Inspectors General on Integrity and Efficiency (CIGIE), established the DATA Act Working Group in January 2015. The Working Group developed the *CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act* (CIGIE guide) to assist the Inspector General community by developing a common methodology and reporting approach to meeting the DATA Act requirements.¹⁴ On December 4, 2020,

¹¹ OMB Memorandum No. M-15-12, "Increasing Transparency of Federal Spending by Making Federal Spending Data Accessible, Searchable, and Reliable," May 8, 2015; and OMB Management Procedures Memorandum No. 2016-03, "Additional Guidance for DATA Act Implementation: Implementing Data-Centric Approach for Reporting Federal Spending Information," May 3, 2016.

¹² USACE Civil Works Data Quality Plan DATA Act Data Quality Plan FY2020-FY2022, Updated on January 29, 2020.

¹³ OMB Memorandum No. M-18-16, "Appendix A to OMB Circular No. A-123, Management of Reporting and Data Integrity Risk," June 6, 2018.

¹⁴ CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act, December 4, 2020.

the DATA Act Working Group updated the CIGIE guide to align with additional CARES Act reporting requirements established in OMB M-20-21. Specifically, for agencies that received supplemental funds in response to the COVID-19 pandemic, the CIGIE guide requires the Inspector General to review a nonstatistical sample of COVID-19 outlay records.¹⁵

The CIGIE guide defines accuracy, completeness, and timeliness of data elements as follows.

- **Accuracy:** When reported data element amounts match to the source documents (such as contracts and grants).
- **Completeness:** When required data elements that should have been reported, were reported in the appropriate File.
- **Timeliness:** When each of the required data elements were reported in accordance with the reporting schedules defined by the financial, procurement, and financial assistance requirements.

The CIGIE guide states that if a data element is incomplete, it should also be considered inaccurate and untimely.

The quality of the data for the DATA Act submission is determined using a combination of statistical and nonstatistical testing results. Because the error rates are based on statistical and nonstatistical sampling, the CIGIE FAEC working group developed a quality assessment scorecard, which is used to calculate quality based on weighted scores of the statistical sampling results and the nonstatistical testing results. Table 1 provides the ranges to determine the quality of the DATA Act submission based on the overall quality score of the statistical and nonstatistical results.

Table 1. Ranges in Determining the Quality of the Data Elements

Range	Quality Level
0 – 69.9	Lower
70 – 84.9	Moderate
85 – 94.9	Higher
95 – 100	Excellent

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

¹⁵ Outlay records are those rows without a transaction obligated amount (obligation).

We obtained the fourth quarter FY 2020 financial and award data (Files A, B, C, D1, and D2) that USACE submitted to the DATA Act Broker. To determine whether the USACE DATA Act submission was complete, we reviewed USACE's submission to identify whether the transactions that should have been recorded were recorded in the proper files. To determine whether the data in Files A and B were complete, we compared the data in both files to the SF-133, the authoritative source, and compared File B data elements to OMB MAX Collect and OMB Circular No. A-11. To determine whether the data elements in Files C and D1 were accurate, complete, and timely, we developed a statistical sample of 365 transactions from a universe of 8,073 transactions in File C. To determine whether the data elements associated with COVID-19 outlays were complete, accurate, and timely, we selected a nonstatistical sample of 51 outlays from the total universe of 5,003 outlays to review from File C.¹⁶

DATA Act Reporting Date Anomaly

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. 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 Appendix G for the CIGIE's DATA Act anomaly letter.

To address this reporting date anomaly, the Inspectors General provided Congress with their first required reports on November 8, 2017, 1 year after the statutory due date, with two subsequent reports to be submitted following on a 2-year cycle. This is the third and final report required under the DATA Act.

Review of Internal Controls

DoD Instruction 5010.40 requires DoD organizations to implement a comprehensive system of internal controls that provides reasonable assurance that programs are operating as intended and to evaluate the effectiveness of the controls.¹⁷

We identified internal control weaknesses in the extracting and reporting of the USACE fourth quarter FY 2020 financial and award data submitted for publication on USAspending.gov. We will provide a copy of the report to the senior official responsible for internal controls over the USACE DATA Act submission.

¹⁶ The audit team developed a nonstatistical sample using professional judgement, rather than developing a statistical method.

¹⁷ DoD Instruction 5010.40, "Managers' Internal Control Program Procedures," May 30, 2013, Incorporating Change 1, Effective June 30, 2020.

Finding

USACE Did Not Comply With All DATA Act Requirements

USACE did not comply with all DATA Act requirements for its fourth quarter FY 2020 DATA Act submission. Although USACE used the Government-wide data standards, the SAO certified the USACE DATA Act submission in a timely manner, and the File A and File B data matched the data submitted in the SF 133; the data elements included in Files C and D1 were not accurate, complete, and timely.¹⁸ Specifically, the projected error rates for the File C and D1 data elements were 9.6 percent for accuracy, 2.2 percent for completeness, and 4.3 percent for timeliness. The errors were primarily attributable to File D1 and occurred because data was inaccurately or incompletely entered into the FPDS-NG. In addition, USACE did not report any of the 105 COVID-19 outlays that should have been reported in its fourth quarter FY 2020 File C submission. The transactions were not reported because a coding error in the File C upload process erroneously removed all USACE transactions assigned a DEFC of “N.”

Based on the calculation required by the CIGIE guide, the overall quality of the USACE data was in the “Higher” range. Although the quality of the financial and award data that USACE submitted for the fourth quarter FY 2020 has improved when compared to USACE’s DATA Act submission for the first quarter of FY 2019, USACE’s DATA Act submission on USAspending.gov cannot be fully relied upon. Further reductions in the number of errors in USACE’s DATA Act submission will continue to improve the overall data quality. The better the USACE data quality, the more effectively taxpayers and policy makers can track Federal spending and the closer USACE is to meeting the DATA Act objective of providing transparent Federal spending data for publication on USAspending.gov.

USACE Used the Government-Wide Data Standards

USACE reported its financial and award data using the Government-wide data standards established by OMB and the Treasury. Specifically, USACE’s fourth quarter FY 2020 DATA Act submission contained all applicable data elements standardized under the DATA Act in Files A and B, and the individual transactions we tested from Files C and D1. Each data element conformed to the standardized

¹⁸ We developed a statistical sample of the transactions in USACE’s File C, which includes File D1 and File D2 transactions; however, due to the limited number of File D2 transactions represented in File C, the statistical sample did not include any File D2 transactions for us to review.

data definitions. We did not identify any instances where USACE reported data using data definitions that differed from the standards developed by OMB and the Treasury.

The SAO Certified the USACE DATA Act Submission by the USACE Deadline

The SAO certified the USACE DATA Act submission for the fourth quarter FY 2020 on January 15, 2021, 4 days before the USACE deadline of January 19, 2021. The Treasury generally requires Federal agencies to make their DATA Act submission within 45 days from the end of the quarter. However, on April 26, 2018, the Office of the Under Secretary of Defense (Comptroller)/CFO, DoD, requested a waiver, citing USACE's need to preserve operational security. The Treasury granted USACE an additional 66 days to certify its DATA Act submission. Therefore, USACE had a total of 111 days after the end of the fourth quarter of FY 2020 to make its submission, which was January 19, 2021.

Financial Data in Files A and B Were Accurate and Complete

The financial data in Files A and B were accurate and complete. We compared the outlays and obligations reported in File A to USACE's SF 133 and determined that the outlays and obligations reported in File A matched the outlays and obligations reported in USACE's SF 133.¹⁹ We compared the outlays and obligations reported in File B to File A, and determined that the outlays and obligations reported in File B matched the outlays and obligations reported in File A. We also compared the object class codes used in the 1,407 File B transactions to the object class codes defined in OMB Circular No. A-11, and determined that the object class codes in File B matched the codes defined in OMB Circular No. A-11.

Furthermore, we compared the program activity data (names and codes) in File B to the program activity data in OMB MAX Collect. OMB Circular No. A-11 requires that the program activity names and codes in File B match the program activity names and codes defined in the President's Budget, which is reflected in OMB MAX Collect.²⁰ Of the 1,407 File B transactions, the program activity data in 1,405 transactions matched the data in the OMB MAX Collect. The other two transactions had program activity data that did not match because USACE

¹⁹ Outlays are payments made to liquidate an obligation (other than the repayment of debt principal or other disbursements that are "means of financing" transactions). Outlays generally are equal to cash disbursements but also are recorded for cash-equivalents transactions, such as the issuance of debentures to pay insurance claims.

²⁰ OMB MAX Collect maintains a repository of the program activity data (names and codes) defined in the President's Budget.

requested and was granted a 90-day delay for its fourth quarter FY 2020 DATA Act submission. As a result of the delay, the File B transactions were compared to the FY 2021 OMB MAX Collect, which did not include the program activity data for the two fourth quarter FY 2020 transactions. According to USACE officials, they have coordinated with OMB to ensure that USACE’s program activity data are compared to the appropriate OMB MAX Collect, regardless of the fiscal year in which the File B data are submitted.

Financial and Award Data in Files C and D1 Were Not Accurate, Complete, or Timely

USACE’s financial (File C) and award (File D1) data were not accurate, complete, or timely. The projected error rates for accuracy, completeness, and timeliness were 9.6 percent, 2.2 percent, and 4.3 percent, respectively. See Appendix F for the projected error rates by individual data element.

To determine the error rates, we selected a statistical sample of 365 transactions to review from a universe of 8,073 transactions reported within USACE’s File C. For those 365 transactions, we reviewed 16,334 data elements required to be reported in Files C and D1. We identified 2,632 errors, 153 in File C and 2,479 in File D1.

Data Elements Were Not Consistently Accurate

The projected error rate for the accuracy of the File C and D1 data elements was 9.6 percent. A data element was considered accurate when it was recorded in accordance with the OMB and Treasury financial data standards and agreed with the authoritative source records (USACE contract award documentation). We identified 1,575 instances of inaccurate or unsupported data elements across all of the 365 transactions reviewed. Table 2 lists the three data elements with highest individual projected error rates for accuracy.

Table 2. Inaccurate and Unsupported File C and D1 Data Elements

Financial or Award Data Element Name	Inaccurate/Unsupported Instances	Projected Error Rate (percent)
Funding Office Name	348	95.3
Primary Place Of Performance Address	289	79.2
NAICS Code	118	32.3

Source: The DoD OIG.

Of the 348 inaccurate Funding Office Names, all were considered inaccurate because the data element field was blank in File D1. The field was blank because USACE officials did not input the USACE Funding Office Code of 966501 in FPDS-NG; therefore, there was no data to populate the Funding Office Name data element in File D1. Of the 289 inaccurate Primary Place Of Performance Addresses, 288 were considered inaccurate because the data in File D1 did not match the contract award documentation, and 1 was considered inaccurate because the data element field was blank.²¹ Of the 118 inaccurate North American Industrial Classification System (NAICS) Codes, 108 were considered inaccurate because the contract award documentation did not include an NAICS Code, and 10 were considered inaccurate because the data in File D1 did not match the contract award documentation.

Data Elements Were Not Consistently Complete

The projected error rate for the completeness of the File C and D1 data elements was 2.2 percent. A data element was considered complete when the required data element that should have been reported was reported. We identified 366 instances of incomplete data elements across 348 of the 365 transactions. Of those 366 instances, 348 data elements were considered incomplete because USACE officials did not enter the USACE Funding Office Code of 966501 in FPDS-NG, as discussed above in the Data Element Accuracy section.

Data Elements Were Not Consistently Timely

The projected error rate for timeliness of the File C and D1 data elements was 4.3 percent. A data element was considered timely when it was reported in accordance with the reporting schedules defined by the financial and procurement requirements. Specifically, the DATA Act requires agencies to report contract award data to File C in the quarter in which contracts are awarded. The Federal Acquisition Regulation requires agencies to report contract award data in FPDS-NG within 3 business days after a contract is signed so the data will be included in File D1.²²

²¹ The Primary Place of Performance Address is defined as the principal place of business, where the majority of the work is performed. For example, in a manufacturing contract, this would be the main plant where items are produced. The Primary Place of Performance Address element consists of the Primary Place of Performance ZIP+4, Primary Place of Performance State Code, and Primary Place of Performance City Name for procurement data elements.

²² Federal Acquisition Regulation Part 4, "Administration Matters," Subpart 4.6, "Contract Reporting," Section 4.604, "Responsibilities."

We identified 691 instances of untimely data elements across 363 of the 365 transactions. Of those 691 instances, 21 File C data elements were considered untimely because the contract award financial data in File C was not recorded in the USACE financial system in the quarter in which the award occurred; therefore, the data were reported in the wrong quarter. Another 312 data elements were considered untimely because the contract award data in File D1 were not input to FPDS-NG within 3 business days of the award date, as required. The remaining 358 data elements were considered untimely because the data element was not completed. When a data element is not complete, it is also considered untimely. For example, USACE officials did not enter the Funding Office Code data element in FPDS-NG for 348 transactions, as discussed above in the Data Element Accuracy section, which resulted in those 348 data elements also being considered untimely.

Data Input to FPDS-NG Needs Improvement

Of the 2,632 errors we identified in Files C and D1, 2,479 (92.7 percent) were attributable to File D1 and primarily occurred because data was inaccurately or incompletely entered into FPDS-NG. The USACE data quality plan states that the Office of Defense Pricing and Contracting, Office of the Under Secretary of Defense for Acquisition and Sustainment is responsible for oversight of FPDS-NG and the verification and validation of the contract award data reported in File D1.²³ The Office of Defense Pricing and Contracting is also responsible for maintaining and annually updating the DoD's Procurement Data Improvement and Compliance Plan, which is the DoD's plan for continual improvement of the data reported to DoD procurement systems, including FPDS-NG.²⁴ As shown in Appendix F, many of the File D1 errors were specific to certain data elements, including the Funding Office Name, Primary Place of Performance Address, NAICS Code, Period of Performance, Current End Date, and Potential End Date. If the data input is improved for those data elements, the accuracy, completeness, and timeliness error rates would significantly decrease. We did not include a recommendation in this report for the Office of Defense Pricing and Contracting to improve the accuracy and completeness for the data elements extracted from FPDS-NG because that recommendation is included in audit report DODIG-2022-027, "Audit of the DoD's Compliance With the Digital Accountability and Transparency Act of 2014," November 8, 2021.

²³ USACE Civil Works Data Quality Plan DATA Act Data Quality Plan FY2020-FY2022, Updated on January 29, 2020.

²⁴ FY2021 Procurement Data Improvement & Compliance Plan, Department of Defense, December 16, 2020.

USACE Did Not Report Any COVID-19 Outlays

The USACE COVID-19 outlays were not accurate, complete, or timely. Specifically, USACE did not report any of the 105 transactions for COVID-19 relief funds that should have been reported in its fourth quarter FY 2020 File C submission. OMB M-20-21 requires Federal agencies that receive COVID-19 relief funds to report COVID-19 outlays in File C and designate them as such by assigning the DEFC “N” in their financial systems.

To test the accuracy, completeness, and timeliness of the USACE fourth quarter FY 2020 File C COVID-19 outlays, we attempted to conduct a nonstatistical sample of 51 outlays from the total universe of 5,003 outlays, totaling \$807.8 million.²⁵ However, none of the outlays in File C were assigned a DEFC “N” to indicate that COVID-19 relief funds were used. USACE officials stated that the File C submission excluded all COVID-19 outlays because of a coding error in the File C upload process that removed all transactions assigned a DEFC “N.” In May 2021, USACE officials informed us that they had corrected the coding error, and resubmitted and recertified their fourth quarter FY 2020 File C submission. We were unable to validate that the coding error was corrected for the fourth quarter FY 2020 and subsequent DATA Act submissions.

Although the COVID-19 outlays were not included in File C because of a coding error, we also noted that the USACE data quality plan was not updated to address additional reporting requirements established to track outlays associated with responding to the COVID-19 pandemic.²⁶ Specifically, OMB M-20-21 and OMB M-18-16 state that USACE must update its data quality plan by identifying and assessing risks to reporting objectives and regulatory requirements related to COVID-19 relief funds.

USACE DATA Act Submission for the Fourth Quarter of FY 2020 Was of Higher Quality

Based on the results of our assessments, the USACE fourth quarter FY 2020 DATA Act submission scored in the higher quality rating range. Specifically, the USACE submission scored 88.2 out of the 100 maximum points possible, when calculated using the CIGIE guide. Table 3 provides the scorecard used to calculate the quality of the USACE submission.

²⁵ The CIGIE guide requires Inspectors General to select a nonstatistical sample, based on their understanding of their agency’s outlays, from their agency’s outlay records in the third month in a quarterly reporting period.

²⁶ OMB M-18-16 and OMB M-20-21.

Table 3. Quality Scorecard

Criteria	Score	Maximum Points Possible
Nonstatistical		
Timeliness of Agency Submission	5.0	5.0
Completeness of Files A & B	10.0	10.0
Suitability of File C for Sample Selection	10.0	10.0
Record Level Linkages (Files C & D)	7.0	7.0
COVID-19 Outlay Testing Judgmental Sample	0.0	8.0
Statistical		
Data Elements – Accuracy	27.1	30.0
Data Elements – Completeness	14.7	15.0
Data Elements – Timeliness	14.4	15.0
Overall Quality Score	88.2	100.0

Source: The DoD OIG and CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act.

The Quality of USACE Financial and Award Data Has Improved

The higher quality of USACE’s financial and award data submitted for the fourth quarter of FY 2020 shows improvement over the low quality of the data submitted for the first quarter of FY 2019, which we assessed in our previous USACE DATA Act audit.²⁷ In the previous audit, we identified errors in File B and higher accuracy error rates for the five data elements we tested in File C. See Table 4 for a comparison of the projected error rates for the File C data elements tested during both the FY 2021 and FY 2019 DATA Act audits. USACE’s File D1 data elements were not available for review during our previous audit; therefore, no comparison can be made for those elements.

²⁷ Report No. DODIG-2020-007, “Audit of U.S. Army Corps of Engineers Compliance With the Digital Accountability and Transparency Act of 2014,” November 7, 2019.

Table 4. Comparison of Projected Accuracy Error Rates for the File C Data Elements tested for Both the FY 2021 and FY 2019 USACE DATA Act Audits

Comparative Results for the Accuracy of USACE File C Data Elements reviewed between the FY 2021 and FY 2019 DATA Act audits*				
Data Element No.	Data Element Name	Accuracy error rates for:		
		First Quarter FY 2019 (%)	Fourth Quarter FY 2020 (%)	Change in Error Rate (%)
24	Parent Award Identification Number	0.3	0.0	(0.3)
34	Award Identification Number (PIID/FAIN)	0.0	0.3	0.3
50	Object Class	88.9	12.1	(76.8)
51	Appropriations Account	100	12.1	(87.9)
53	Obligation	11.7	9.0	(2.7)

* For the FY 2021 DATA Act audit, we reviewed the USACE fourth quarter FY 2020 submission. For the FY 2019 DATA Act audit, we reviewed the USACE first quarter FY 2019 DATA Act submission.

Source: The DoD OIG and CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act.

The USACE Financial and Award Data on USAspending.gov Cannot be Fully Relied Upon

Although the quality of the financial and award data that USACE submitted for the fourth quarter FY 2020 has improved when compared to USACE's DATA Act submission for the first quarter of FY 2019, USACE's DATA Act submission on USAspending.gov cannot be fully relied upon. If the Office of Defense Pricing and Contracting takes action to ensure that the data entered into FPDS-NG are correct, USACE could significantly reduce the number of errors in its DATA Act submission and further improve the overall data quality. The better the USACE data quality, the more effectively taxpayers and policy makers can track Federal spending and the closer USACE is to meeting the DATA Act objective of providing transparent Federal spending data for publication on USAspending.gov.

Management Comments on the Finding and Our Response

USACE Director of Resource Management Comments

The USACE Director of Resource Management, responding for the USACE Chief of Engineers and Commanding General, noted his understanding of the audit objective and agreed that it is important for the data submitted to USAspending.gov be reliable and valid. The Director stated that the robust internal controls in the

USACE's financial management system have resulted in 13 consecutive clean audit opinions and that USACE is one of few agencies able to achieve the highest level of accountability and transparency during the financial statement audit process.

The Director confirmed that USACE received COVID-19-related funding under the authority issued in the CARES Act, and that due to a line of code designed to increase efficiency during the file creation process, outlays with a DEFC value of "N" were inadvertently omitted from the initial USACE fourth quarter FY 2020 File C submission. He added that in May 2021, USACE corrected the coding error, and resubmitted and recertified the fourth quarter FY 2020 File C submission but that the audit team was unable to verify that the coding error was resolved during the audit. The Director also confirmed that most of the 2,479 errors in the USACE File D1 submission for the fourth quarter of FY 2020 were related to inaccurate or incomplete data entered in the FPDS-NG. The Director added that the Office of Defense Pricing and Contracting is responsible for oversight of FPDS-NG and the verification and validation of the contract award data reported in File D1 and; therefore, USACE is unable to control the data within FPDS-NG.

Our Response

We agree with the USACE Director of Resource Management's statements concerning the audit objective and that it is important for the data submitted to USAspending.gov to be reliable and valid. We also acknowledge USACE's 13 consecutive clean audit opinions associated with the financial statement audit process. With respect to the COVID-19 outlays that were not reported, we are aware that USACE resubmitted and recertified the fourth quarter FY 2020 File C submission after resolving the coding error. As the Director states, we were unable to verify that the coding error was resolved, which is the intent of Recommendation 1. We agree that the Office of Defense Pricing and Contracting is responsible for oversight of FPDS-NG and the verification and validation of the contract award data reported in File D1. As we state in this report, we included a recommendation to the Office of Defense Pricing and Contracting in DODIG-2022-027, "Audit of the DOD's Compliance with the Digital Accountability and Transparency Act of 2014," that addresses the accuracy and completeness of the data in FPDS-NG.

Recommendations, Management Comments, and Our Response

Recommendation 1

We recommend that the U.S. Army Corps of Engineers Chief of Engineers and Commanding General provide documentation to support that the coding error that removed coronavirus disease–2019 outlays from File C was corrected for the fourth quarter of FY 2020 and subsequent submissions.

USACE Director of Resource Management Comments

The USACE Director of Resource Management, responding for the Chief of Engineers and Commanding General, agreed, stating that USACE would provide documentation to support that the coding error that removed COVID-19 outlays from File C was corrected for the fourth quarter of FY 2020 and subsequent submissions.

Our Response

Comments from the USACE Director of Resource Management addressed the specifics of the recommendation. Therefore, the recommendation is resolved but will remain open. We will close this recommendation once we verify that the coding error was corrected.

Recommendation 2

We recommend that the U.S. Army Corps of Engineers Chief of Engineers and Commanding General revise and implement the U.S. Army Corps of Engineers data quality plan to be consistent with Federal guidance, by including a process for ensuring that disaster and emergency relief funds are accurate and complete before making monthly and quarterly Digital Accountability and Transparency Act submissions.

USACE Director of Resource Management Comments

The USACE Director of Resource Management responding for the USACE Chief of Engineers and Commanding General, agreed, stating that USACE would expand the USACE data quality plan to identify a process for assuring disaster and emergency funds are accurate and complete, including making any necessary reconciliations, prior to transmission and certification of monthly and quarterly DATA Act submissions.

Our Response

Comments from the USACE Director of Resource Management addressed the specifics of the recommendation. Therefore, the recommendation is resolved but will remain open. We will close the recommendation once we verify that the update to the USACE DATA Act Data Quality Plan is complete.

Appendix A

Scope and Methodology

We conducted this performance audit from November 2020 through October 2021 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We reviewed USACE fourth quarter FY 2020 financial and award data that USACE submitted to the DATA Act Broker system for publication on USAspending.gov, and any applicable procedures, certifications, documentation, and controls to achieve this process. We reviewed the USACE data quality plan to determine whether USACE maintained adequate internal controls that included periodic reviews, testing plans, and identification of high-risk elements that the DATA Act explicitly referenced and ensured that internal controls over the extraction and reporting of data elements were effective to achieve the objective of the DATA Act reporting.

We interviewed personnel from the USACE Finance Center, and the Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, to understand USACE's systems, processes, and internal controls over financial and award data reported to USAspending.gov, and to assess the design and implementation, and operating effectiveness of internal controls.

We reviewed policy and criteria, including guidance issued by OMB and the Treasury, to understand any regulatory criteria related to USACE's responsibilities to report financial and award data under the DATA Act. In order to assess audit risk and design audit procedures, we assessed the internal and information system controls in place related to the data extracted from source systems, and the data reported to the Treasury's DATA Act Broker system. Furthermore, we adopted the common methodology and reporting approach detailed in CIGIE guide to perform this audit.

We obtained the fourth quarter FY 2020 financial and award data (Files A through C) USACE submitted for publication on USAspending.gov. We also obtained the fourth quarter FY 2020 financial and award data (Files D1 and D2) that the DoD submitted, as USACE cannot separate its File D1 from the DoD submission, due to capability limitations with the Treasury DATA Act Broker System. We reviewed the USACE certification and submission process.

Subsequently, we reviewed and reconciled the appropriation summary-level data (File A) and obligation and disbursement information at program activity and object class levels (File B) to the Treasury balances derived from USACE Standard Form 133, "Report on Budget Execution and Budgetary Resources," and applicable guidance to determine any variances.

We statistically selected and tested 365 of the 8,073 financial transactions related to procurement awards (File C). We used a simple random sample approach at the 95 percent confidence interval level and 5 percent precision. We used the sample selection from File C to perform an analysis of the corresponding data from the DoD's fourth quarter FY 2020 DATA Act submission of procurement data (File D1). We followed guidance in the CIGIE guide to Compliance under the DATA Act to select a nonstatistical sample of COVID-19 outlay records to review from the USACE File C.

Internal Control Assessment and Compliance

We assessed internal controls and compliance with laws and regulations necessary to satisfy the audit objective. In particular, we assessed the following control components and underlying principles.

- Control Activity: Implement Control Activities; Design Control Activities; And Design activities for Information Systems.
- Monitoring: Performing monitoring activities.
- Risk Assessment: Identify, analyze, and respond to risk.

However, our review was limited to these internal control components and underlying principles; therefore, we may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

Use of Computer-Processed Data

We used fourth quarter FY 2020 financial and award data submitted for publication on USAspending.gov. We compared the financial information extracted from USAspending.gov to the appropriation summary-level balances reported in the Standard Form 133 reports and program activity names and codes downloaded from MAX.gov and identified variances. We tested USACE financial data derived from the USACE financial management system against authoritative source documentation. We determined that the data were sufficiently reliable to accomplish the audit objective and draw audit conclusions.

Use of Technical Assistance

We obtained support from the DoD OIG Quantitative Methods Division to select a statistical sample used for testing File C transactions. We also obtained support from the DoD OIG Data Analytics Team to test the accuracy and completeness of File A.

Appendix B

Prior Coverage

During the last 5 years, the Government Accountability Office (GAO), and the DoD OIG issued 19 reports and 1 attestation discussing the DATA Act efforts. Unrestricted GAO reports can be accessed at <http://www.gao.gov>. Unrestricted DoD OIG reports can be accessed at <http://www.dodig.mil/reports.html/>.

GAO

Report No. GAO-20-540, “DATA ACT: OIGs Reported That Quality of Agency-Submitted Data Varied, and Most Recommended Improvements,” July 2020

The GAO reported that the OIGs’ audit results varied regarding the quality of the data submitted by their respective agencies. The report stated that using a 20 percent or lower error rate benchmark established by the OIG audit methodology guidance, 37 of 51 OIGs reported that their agencies’ data were of higher quality, and 11 OIGs reported data quality that was of moderate or lower quality. Further, the report stated that 47 OIGs reported that their agencies submitted data on time, but certain agencies’ submissions did not always contain all the data that should have been submitted.

The report also stated that 37 OIGs reported that agencies implemented and used the data standards established by OMB and the Treasury. However, 47 OIGs reported control deficiencies related to system limitations, quality control procedures, data from external systems, and other issues.

Report No. GAO-20-75, “DATA ACT: Quality of Data Submissions Has Improved but Further Action is Needed to Disclose Known Data Limitations,” November 2019

The GAO identified improvements in overall DATA Act data quality when comparing data from the fourth quarter of FY 2018 to the second quarter of FY 2017 but stated challenges remain for completeness, accuracy, use of data standards, disclosure of data limitations, and overall data governance.

Report No. GAO-19-299, “DATA ACT: Pilot Effectively Tested Approaches for Reducing Reporting Burden for Grants but Not for Contracts,” April 2019

The GAO reported that OMB led implementation of a pilot program, known as Section 5 Pilot, aimed at developing recommendations for reducing recipient burden for Federal grantees and contractors. The GAO identified that the pilot program met many, but not all, of its statutory requirements. OMB partially met the requirement to reduce the burden for Federal award recipients because the guidance issued only applied to grants and not procurement.

Report No. GAO-19-284, "DATA Act: OMB Needs to Formalize Data Governance for Reporting Federal Spending," March 2019

The GAO reported that OMB and the Treasury have established some procedures for governing the data standards established under the DATA Act, but a formal governance structure has yet to be fully developed. Since enactment, OMB has relied on a shifting array of advisory bodies to obtain input on data standards. As of December 2018, some governance procedures are in place, but others continue to evolve.

Report No. GAO-19-72, "Treasury Could Better Align USAspending.gov With Key Practices and Search Requirements," December 13, 2018

USAspending.gov aligns with several key practices. However, the Treasury has not fully aligned the website with all of the key practices, the requirements of the FFATA, and OMB guidance.

Report No. GAO-18-546, "DATA ACT: Reported Quality of Agencies Spending Data Reviewed by OIGs Varied Because of Government-Wide and Agency Issues," July 2018

The GAO reviewed OIGs' DATA Act reports and determined that about half of the agencies met the OMB and Treasury requirements for the implementation and use of data standards. The OIGs also reported that most agencies' first data submissions were not complete, timely, accurate, or of quality. The OIGs generally reported higher (projected) overall error rates for the accuracy of data than for completeness and timeliness.

Report No. GAO-18-138, "DATA ACT: OMB, Treasury, and Agencies Need to Improve Completeness and Accuracy of Spending Data and Disclose Limitations," November 2017

The GAO report stated that a total of 78 Federal agencies submitted data by May 2017, as required by the DATA Act. However, the GAO identified issues and challenges with the completeness and accuracy of the data submitted, use of data elements, and presentation of the data on Beta.USAspending.gov. The GAO reported that awards for 160 financial assistance programs were omitted from the data for the second quarter of FY 2017. Also, 13 agencies submitted the file intended to link budgetary and award information without providing any data. In addition, the GAO reported that the data accuracy differed sharply between budgetary and award records and agencies differ in how they interpret and apply OMB's definitions for data elements.

Report No. GAO-17-496, "DATA ACT: As Reporting Deadline Nears, Challenges Remain That Will Affect Data Quality," April 2017

The GAO reported that internal control weaknesses and other challenges pose risks to data quality. Specifically, Inspectors General assessed the readiness of an agency to meet the DATA Act reporting requirements and identified several widespread and longstanding issues: (1) accounting and financial management, (2) financial management systems, and (3) information technology security and controls. The GAO has also reported weaknesses and challenges in Government-wide financial management systems used for DATA Act reporting.

The GAO stated that challenges with guidance will impact data quality. Specifically, challenges related to how agencies report certain intragovernmental transactions, reconcile recipient address information, and align required DATA Act files with missing data continue to present risks to the quality of data displayed on USAspending.gov.

Report No. GAO-17-460, "DATA ACT: Office of Inspector General Reports Help Identify Agencies Implementation Challenges," April 2017

The GAO found that, as of January 31, 2017, 30 Inspectors General had completed DATA Act readiness reviews. Of the 30 Inspectors General who completed the reviews:

- 3 Inspectors General reported that their agency was not on track to meet DATA Act requirements;
- 2 Inspectors General reported that their agency would not submit complete data by the May 2017 reporting deadline;
- 12 Inspectors General did not specifically report whether their agency would meet requirements and reported that their agencies faced challenges; and
- 13 Inspectors General reported that their agency would meet DATA Act requirements.

Report No. GAO-17-156, "DATA ACT: OMB and Treasury Have Issued Additional Guidance and Have Improved Pilot Design but Implementation Challenges Remain," December 2016

The GAO identified four categories of challenges reported by agencies that may impede their ability to implement the DATA Act: (1) systems integration issues, (2) lack of resources, (3) evolving and complex reporting requirements, and (4) inadequate guidance.

The GAO reported that OMB issued additional guidance; however, this guidance does not provide sufficient detail in areas such as the process for providing assurance on data submissions or addresses how agencies should operationalize the definitions for data elements. The Treasury also released a new version of the DATA Act Broker and made minor adjustments to its functionality.

Report No. GAO-16-824R, "DATA Act: Initial Observations on Technical Implementation," August 2016

The GAO reported that OMB and the Treasury have taken steps to assure the quality of the Federal spending data that will be made available to the public. These steps include creating a broker system to:

- check that submitted data follow a standardized format that will allow for aggregation and comparison across government; and
- validate selected data elements to ensure that the data are accurate.

The report also stated the broker will apply a series of format and formula checks to the budget and financial data elements submitted by the agencies to ensure that the data are in the required standard format and correctly calculated. The broker will also validate the budget and financial data by comparing the data to multiple sources. In addition, the Treasury issued data validation rules intended to ensure that the amounts for budget and financial data elements submitted by agencies are derived in a standard way. Finally, the broker is designed to extract and standardize the format of award data pulled from existing award reporting systems. However, the broker will not validate the data to ensure it is accurate.

Report No. GAO-16-698, "DATA ACT: Improvements Needed in Reviewing Agency Implementation Plans and Monitoring Progress," July 2016

The GAO reported that OMB and the Treasury have not designed and implemented controls or fully documented processes related to the review and use of agency implementation plans for the DATA Act. In addition, as of July 2016, OMB had not determined the complete population of agencies that are required to report spending data under the DATA Act and submit implementation plans to OMB. Lacking fully documented controls and processes as well as a complete population of agencies increases the risk that the purposes and benefits of the DATA Act may not be fully achieved, and could result in incomplete spending data being reported.

Based on OMB and Treasury guidance, the GAO identified 51 plan elements in four separate categories—timeline, cost estimate, narrative, and project plan to be included in agency implementation plans. None of the 42 implementation plans the GAO received and reviewed contained all 51 plan elements described in OMB and Treasury guidance, due to the lack of consistent and complete agency implementation plans.

Report No. GAO-16-438, "DATA ACT: Section 5 Pilot Design Issues Need to Be Addressed to Meet Goal of Reducing Recipient Reporting Burden," April 2016

The GAO reported that, as required by the DATA Act, OMB is conducting a pilot program, known as the Section 5 Pilot, aimed at developing recommendations for reducing recipient reporting burden for grantees and contractors. OMB collaborated with the Department of Health and Human Services to design and implement the grants portion of the pilot, and with the General Services Administration to implement the procurement portion. OMB launched the Section 5 Pilot in May 2015 and expects to continue pilot related activities until at least May 2017. If implemented according to the Department of Health and Human Services proposed plan, the grants portion of the pilot will likely meet the requirements established under the DATA Act. In contrast, the GAO has concerns with how the procurement portion of the pilot will contribute to the Section 5 Pilot's design requirements.

Report No. GAO-16-261, "DATA ACT: Data Standards Established but More Complete and Timely Guidance is Needed to Ensure Effective Implementation," January 2016

The GAO report stated that OMB and the Treasury issued definitions for 57 Federal spending data elements. The GAO found that most definitions adhered to leading practices derived from international standards for formulating data definitions. Specifically, 12 of the 57 definitions met all 13 leading practices, and none met fewer than 9 leading practices. However, the GAO found several definitions that could lead to inconsistent reporting. In addition, OMB and the Treasury have not issued the final technical guidance. If guidance is not aligned with agency implementation timelines, agencies may delay taking key steps or need to revise existing plans once final technical guidance is released, hindering their ability to meet DATA Act requirements and timelines.

DoD OIG

Report No. DODIG-2021-050, "Audit of Contracts for DoD Information Technology Products and Services Procured by DoD Components in Response to the Coronavirus Disease-2019 Pandemic," February 12, 2021

The DoD OIG reported that the Army, Navy, Air Force, Defense Health Agency, and Defense Information Systems Agency procured information technology products and services in accordance with the CARES Act and other Federal and DoD requirements.

Report No. DODIG-2020-010, "DoD Compliance With the Digital Accountability and Transparency Act of 2014," November 7, 2019

The DoD OIG report stated that the DoD did not comply with all DATA Act requirements. Although the DoD implemented and used the required Government-wide data standards and the DoD DATA Act submission for the first quarter of FY 2019 was timely, the submission was not complete and accurate.

Report No. DODIG-2020-007, "U.S. Army Corps of Engineers Compliance With the Digital Accountability and Transparency Act of 2014," November 7, 2019

The DoD OIG report stated that USACE did not comply with all DATA Act requirements. Although USACE implemented and used the required Government-wide data standards, and the USACE DATA Act submission for the first quarter of FY 2019 was timely, the submission was not complete.

Report No. DODIG-2018-020, "DoD Compliance With the Digital Accountability and Transparency Act of 2014," November 8, 2017

The DoD OIG determined that the DoD SAO did not comply with the DATA Act. Specifically, for the second quarter of FY 2017, the DoD SAO did not certify and submit complete award data, timely award data, accurate financial and award data, and quality financial and award data for publication on USAspending.gov. In addition, the DoD did not implement and use all Government-wide data elements. The DoD did not implement and use the Government-wide data elements applicable to award data established by OMB and the Treasury."

Report No. DODIG-2018-021, "USACE Compliance With the Digital Accountability and Transparency Act of 2014," November 8, 2017

The DoD OIG determined that USACE did not comply with the DATA Act. The SAO certified timely second quarter FY 2017 financial data. However, the SAO did not certify and submit complete award data, complete financial data related to procurement awards, accurate financial data, and quality financial data for publication on USAspending.gov. In addition, the DoD SAO did not implement and use all required Government-wide financial data elements established by OMB and the Treasury.

Report No. DODIG-2017-022, “Independent Attestation Review on the DoD’s Progress to Comply With the Digital Accountability and Transparency Act of 2014,” November 17, 2016

The DoD OIG reported that the DoD incorporated 8 steps established by OMB and the Treasury into its DATA Act Implementation Plan and completed steps 1, 2, and 4 of the 8 steps; however, the DoD partially complied with the standards established by OMB and the Treasury for step 3. In addition, the DoD planned to extend the reporting deadline for the transaction-level financial data by 1 year, or until second quarter 2018. Nothing came to the DoD OIG’s attention to indicate that the DoD did not make efforts to comply with the DATA Act.

Appendix C

DATA Act Elements and Definitions

Data Element No.	Data Element Name	Data Element Definition
Awardee and Recipient Entity Data Standards		
These data elements describe the recipients/awardees of Federal funds.		
1	Awardee/Recipient Legal Entity Name	The name of the awardee or recipient that relates to the unique identifier. For U.S.-based companies, this name is what the business ordinarily files in formation documents with individual states (when required).
2	Awardee/Recipient Unique Identifier	The unique identification number for an awardee or recipient. Currently, the identifier is the 9-digit number assigned by Dun & Bradstreet referred to as the DUNS® number.
3	Ultimate Parent Unique Identifier	The unique identification number for the ultimate parent of an awardee or recipient. Currently, the identifier is the 9-digit number maintained by Dun & Bradstreet as the global parent DUNS® number.
4	Ultimate Parent Legal Entity Name	The name of the ultimate parent of the awardee or recipient. Currently, the name is from the global parent DUNS® number.
5	Legal Entity Address	The awardee or recipient's legal business address where the office represented by the Unique Entity Identifier (as registered in the System for Award Management [SAM]) is located. In most cases, this should match what the entity has filed with the State in its organizational documents, if required. The address is made up of five components: Address Lines 1 and 2, City, State Code, and ZIP+4 or Postal Code.
6	Legal Entity Congressional District	The congressional district in which the awardee or recipient is located. This is not a required data element for non-U.S. addresses.
7	Legal Entity Country Code	Code for the country in which the awardee or recipient is located, using the ISO 3166-1 Alpha-3 GENC Profile, and not the codes listed for those territories and possessions of the United States already identified as "states."
8	Legal Entity Country Name	The name corresponding to the Country Code.

DATA Act Elements and Definitions (cont'd)

Data Element No.	Data Element Name	Data Element Definition
9	Highly Compensated Officer Name	<p>First Name: The first name of an individual identified as one of the five most highly compensated “Executives.” “Executive” means officers, managing partners, or any other employees in management positions.</p> <p>Middle Initial: The middle initial of an individual identified as one of the five most highly compensated “Executives.”</p> <p>Last Name: The last name of an individual identified as one of the five most highly compensated “Executives.”</p>
10	Highly Compensated Officer Total Compensation	The cash and noncash dollar value earned by the one of the five most highly compensated “Executives” during the awardee’s preceding fiscal year and includes the following (for more information see 17 C.F.R. § 229.402(c)(2)): salary and bonuses, awards of stock, stock options, and stock appreciation rights, earnings for services under non-equity incentive plans, change in pension value, above-market earnings on deferred compensation which is not tax qualified, and other compensation.
<p>Award Amount Data Standards These data elements describe characteristics that apply to amount information for financial assistance and/or procurement awards.</p>		
11	Amount of Award	The cumulative amount obligated by the Federal Government for an award, which is calculated by USAspending.gov or a successor site. For procurement and financial assistance awards except loans, this is the sum of Federal Action Obligations. For loans or loan guarantees, this is the Original Subsidy Cost.
12	Non-Federal Funding Amount	For financial assistance, the amount of the award funded by non-Federal source(s), in dollars. Program Income (as defined in 2 C.F.R. § 200.80) is not included until such time that Program Income is generated and credited to the agreement.
13	Federal Action Obligation	Amount of Federal Government’s obligation, de-obligation, or liability, in dollars, for an award transaction.
14	Current Total Value of Award	For procurement, the total amount obligated to date on a contract, including the base and exercised options.
15	Potential Total Value of Award	For procurement, the total amount that could be obligated on a contract, if the base and all options are exercised.

DATA Act Elements and Definitions (cont'd)

Data Element No.	Data Element Name	Data Element Definition
<p>Award Characteristic Data Standards These data elements describe characteristics that apply to specific financial assistance and/or procurement awards.</p>		
16	Award Type	Description (and corresponding code) that provides information to distinguish type of contract, grant, or loan and provides the user with more granularity into the method of delivery of the outcomes.
17	North American Industrial Classification System (NAICS) Code	The identifier that represents the North American Industrial Classification System (NAICS) Code assigned to the solicitation and resulting award identifying the industry in which the contract requirements are normally performed.
18	North American Industrial Classification System (NAICS) Description	The title associated with the NAICS Code.
19	Catalog of Federal Domestic Assistance (CFDA) Number	The number assigned to a Federal area of work in the Catalog of Federal Domestic Assistance.
20	Catalog of Federal Domestic Assistance (CFDA) Title	The title of the area of work under which the Federal award was funded in the Catalog of Federal Domestic Assistance.
<p>Account Level Data Standards This data element describes the appropriations accounts from which agencies fund Federal awards.</p>		
21	Treasury Account Symbol (excluding Sub-Account)	The account identification codes assigned by the Department of the Treasury to individual appropriation, receipt, or other fund accounts. All financial transactions of the Federal Government are classified by Treasury Account Symbol for reporting to the Treasury and OMB.
<p>Award Characteristic Data Standards These data elements describe characteristics that apply to specific financial assistance and/or procurement awards.</p>		
22	Award Description	A brief description of the purpose of the award.
23	Award Modification/ Amendment Number	The identifier of an action being reported that indicates the specific subsequent change to the initial award.
24	Parent Award Identification Number	The identifier of the procurement award under which the specific award is issued, such as a Federal Supply Schedule. This data element currently applies to procurement actions only.
25	Action Date	The date the action being reported was issued/ signed by the Government or a binding agreement was reached.

DATA Act Elements and Definitions (cont'd)

Data Element No.	Data Element Name	Data Element Definition
26	Period of Performance Start Date	The date on which, for the award referred to by the action being reported, awardee effort begins or the award is otherwise effective.
27	Period of Performance Current End Date	The current date on which, for the award referred to by the action being reported, awardee effort completes or the award is otherwise ended. Administrative actions related to this award may continue to occur after this date. This date does not apply to procurement indefinite delivery vehicles under which definitive orders may be awarded.
28	Period of Performance Potential End Date	For procurement, the date on which, for the award referred to by the action being reported if all potential pre-determined or pre-negotiated options were exercised, awardee effort is completed or the award is otherwise ended.
29	Ordering Period End Date	For procurement, the date on which, for the award referred to by the action being reported, no additional orders referring to it may be placed. This date applies only to procurement indefinite delivery vehicles (such as indefinite delivery contracts or blanket purchase agreements). Administrative actions related to this award may continue to occur after this date. The period of performance end dates for procurement orders issued under the indefinite delivery vehicle may extend beyond this date.
30	Primary Place of Performance Address	The address where the predominant performance of the award will be accomplished. The address is made up of four components—City, State Code, and ZIP+4 or Postal Code.
31	Primary Place of Performance Congressional District	U.S. congressional district where the predominant performance of the award will be accomplished. This data element will be derived from the Primary Place of Performance Address.
32	Primary Place of Performance Country Code	Country code where the predominant performance of the award will be accomplished.
33	Primary Place of Performance Country Name	Name of the country represented by the country code where the predominant performance of the award will be accomplished.
34	Award Identification Number	The unique identifier of the specific award being reported, for example, Federal Award Identification Number (FAIN) for financial assistance and Procurement Instrument Identifier (PIID) for procurement.
35	Record Type	Code indicating whether an action is an individual transaction or aggregated. This data element applies to financial assistance only.

DATA Act Elements and Definitions (cont'd)

Data Element No.	Data Element Name	Data Element Definition
36	Action Type	Description (and corresponding code) that provides information on any changes made to the Federal prime award. There are typically multiple actions for each award. (Note: This definition encompasses current data elements "Type of Action" for financial assistance and "Reason for Modification" for procurement.)
37	Business Type	A collection of indicators of different types of recipients based on socio-economic status and organization/business areas.
Funding Entity Data Standards These data elements describe the characteristics of the entity that provided the funding for an award.		
38	Funding Agency Name	Name of the department or establishment of the Government that provided the preponderance of the funds for an award and/or individual transactions related to an award.
39	Funding Agency Code	The 3-digit Common Government-wide Accounting Classification (CGAC) agency code of the department or establishment of the Government that provided the preponderance of the funds for an award and/or individual transactions related to an award.
40	Funding Sub-Tier Agency Name	Name of the level 2 organization that provided the preponderance of the funds obligated by this transaction.
41	Funding Sub-Tier Agency Code	Identifier of the level 2 organization that provided the preponderance of the funds obligated by this transaction.
42	Funding Office Name	Name of the level n organization that provided the preponderance of the funds obligated by this transaction.
43	Funding Office Code	Identifier of the level n organization that provided the preponderance of the funds obligated by this transaction.
Awarding Entity Data Standards These data elements describe the characteristics of the entity that made the award.		
44	Awarding Agency Name	The name associated with a department or establishment of the Government as used in the Treasury Account Fund Symbol (TAFS).
45	Awarding Agency Code	A department or establishment of the Government as used in the TAFS.
46	Awarding Sub-Tier Agency Name	Name of the level 2 organization that awarded, executed, or is otherwise responsible for the transaction.

DATA Act Elements and Definitions (cont'd)

Data Element No.	Data Element Name	Data Element Definition
47	Awarding Sub-Tier Agency Code	Identifier of the level 2 organization that awarded, executed, or is otherwise responsible for the transaction.
48	Awarding Office Name	Name of the level n organization that awarded, executed, or is otherwise responsible for the transaction.
49	Awarding Office Code	Identifier of the level n organization that awarded, executed, or is otherwise responsible for the transaction.
Account Level Data Standards These data elements describe the appropriations accounts from which agencies fund Federal awards.		
50	Object Class	Categories in a classification system that presents obligations by the items or services purchased by the Federal Government. Each specific object class is defined in OMB Circular A-11 § 83.6.
51	Appropriations Account	The basic unit of an appropriation generally reflecting each unnumbered paragraph in an appropriation act. An appropriations account is represented by a TAFS created by the Treasury in consultation with OMB. Treasury Appropriation Fund Symbol: The components of a Treasury Account Symbol—allocation agency, agency, main account, period of availability and availability type—that directly correspond to an appropriations account established by Congress.
52	Budget Authority Appropriated	A provision of law (not necessarily in an appropriations act) authorizing an account to incur obligations and to make outlays for a given purpose. Usually, but not always, an appropriation provides budget authority.
53	Obligation	A legally binding agreement that will result in outlays, immediately or in the future. When you place an order, sign a contract, award a grant, purchase a service, or take other actions that require the Government to make payments to the public or from one Government account to another, you incur an obligation. It is a violation of the Antideficiency Act (31 U.S.C. § 1341(a)) to involve the Federal Government in a contract or obligation for payment of money before an appropriation is made, unless authorized by law.
54	Unobligated Balance	The cumulative amount of budget authority that remains available for obligation under law in unexpired accounts at a point in time. The term “expired balances available for adjustment only” refers to unobligated amounts in expired accounts.

DATA Act Elements and Definitions (cont'd)

Data Element No.	Data Element Name	Data Element Definition
55	Other Budgetary Resources	New borrowing authority, contract authority, and spending authority from offsetting collections provided by Congress in an appropriations act or other legislation, or unobligated balances of budgetary resources made available in previous legislation, to incur obligations and to make outlays.
56	Program Activity	A specific activity or project as listed in the program and financing schedules of the annual budget of the U.S. Government.
57	Outlay	Payments made to liquidate an obligation (other than the repayment of debt principal or other disbursements that are “means of financing” transactions). Outlays generally are equal to cash disbursements but also are recorded for cash-equivalent transactions, such as the issuance of debentures to pay insurance claims, and in a few cases are recorded on an accrual basis such as interest on public issues of the public debt. Outlays are the measure of Government spending.
58	National Interest Action (Data Element 163)	A code that represents the national interest for which the contract is created.
59	Disaster Emergency Fund Code (Data Element 430)	Distinguishes whether the budgetary resources, obligations incurred, unobligated and obligated balances, and outlays are classified as disaster, emergency, wildfire suppression, or none of the three.

Source: OMB and the Treasury.

Appendix D

Data Elements Mapped to Files A to D2

59 Data Elements Mapped to Files A to D2							
DAIMS Element #	Data Element Name	Links among Files					Notes
		File A	File B	File C	File D1	File D2	
1	Awardee/Recipient Legal Entity Name				•	•	
2	Awardee/Recipient Unique Identifier				•	•	
3	Ultimate Parent Unique Identifier				•	•	
4	Ultimate Parent Legal Entity Name				•	•	
5	Legal Entity Address				•	•	
6	Legal Entity Congressional District				•	•	
7	Legal Entity Country Code				•	•	
8	Legal Entity Country Name				•	•	
9	Highly Compensated Officer Name						Reported in Files E and F
10	Highly Compensated Officer Total Compensation						Reported in Files E and F
11	Amount of Award					•	
12	Non-Federal Funding Amount					•	
13	Federal Action Obligation				•	•	
14	Current Total Value of Award				•		
15	Potential Total Value of Award				•		
16	Award Type				•	•	
17	NAICS Code				•		
18	NAICS Description				•		
19	Catalog of Federal Domestic Assistance Number					•	
20	Catalog of Federal Domestic Assistance Title					•	
21	Treasury Account Symbol						Included with Data Element #51
22	Award Description				•	•	
23	Award Modification / Amendment Number				•	•	
24	Parent Award ID Number			•	•		
25	Action Date				•	•	

Data Elements Mapped to Files A to D2 (cont'd)

59 Data Elements Mapped to Files A to D2							
DAIMS Element #	Data Element Name	Links among Files					Notes
		File A	File B	File C	File D1	File D2	
26	Period of Performance Start Date				•	•	
27	Period of Performance Current End Date				•	•	
28	Period of Performance Potential End Date				•		
29	Ordering Period End Date				•		
30	Primary Place of Performance Address				•	•	
31	Primary Place of Performance Congressional District				•	•	
32	Primary Place of Performance Country Code				•	•	
33	Primary Place of Performance Country Name				•	•	
34	Award ID Number (PIID/FAIN)			•	•	•	
35	Record Type					•	
36	Action Type				•	•	
37	Business Types					•	
38	Funding Agency Name				•	•	
39	Funding Agency Code				•	•	
40	Funding Sub Tier Agency Name				•	•	
41	Funding Sub Tier Agency Code				•	•	
42	Funding Office Name				•	•	
43	Funding Office Code				•	•	
44	Awarding Agency Name				•	•	
45	Awarding Agency Code				•	•	
46	Awarding Sub Tier Agency Name				•	•	
47	Awarding Sub Tier Agency Code				•	•	
48	Awarding Office Name				•	•	
49	Awarding Office Code				•	•	
50	Object Class		•	•			
51	Appropriations Account	•	•	•			
52	Budget Authority Appropriated	•					
53	Obligation	•	•	•			
54	Unobligated Balance	•	•	•			
55	Other Budgetary Resources	•					

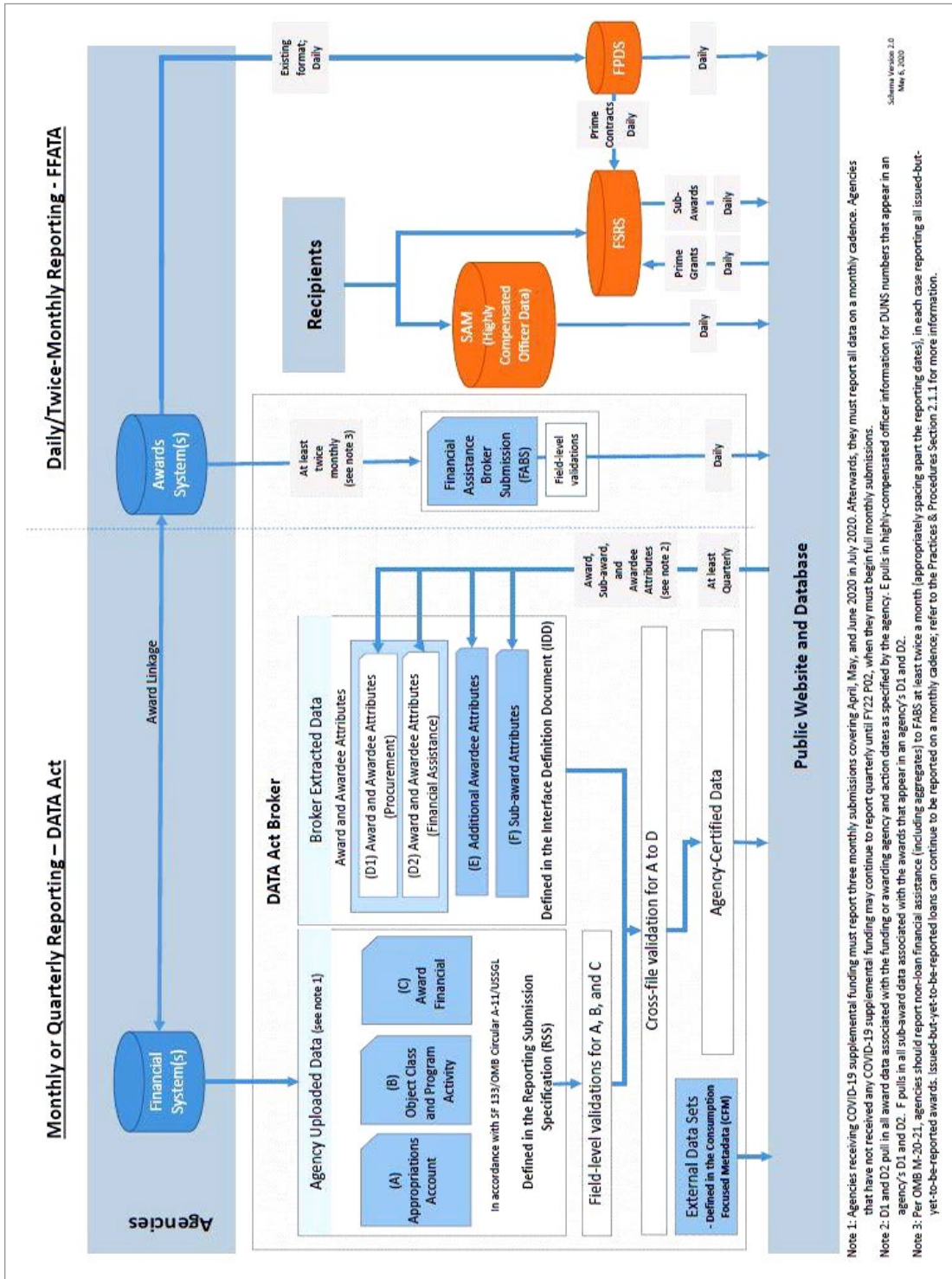
Data Elements Mapped to Files A to D2 (cont'd)

59 Data Elements Mapped to Files A to D2							
DAIMS Element #	Data Element Name	Links among Files					Notes
		File A	File B	File C	File D1	File D2	
56	Program Activity		•	•			
57	Outlay	•	•	•			
163	National Interest Action (No.58)				•		
430	Disaster Emergency Fund Code (No.59)		•	•			

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

Appendix E

DATA Act Information Flow Diagram



Source: The Treasury

Appendix F

Additional CIGIE FAEC Reporting Requirements

The *CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act* sets a common methodological and reporting approach for the OIG community to ensure that Inspector General audits meet the requirements of the DATA Act. Below are the additional CIGIE FAEC reporting requirements.

Analysis of Errors in Files C and D1

The purpose of Table 5 is to inform the stakeholders which data elements from the USACE Files C and D1 submission may be more reliable than others.

Table 5. The USACE Results for Data Elements in Files C and D1

USACE's File C and D1 Results Listed in Descending Order by Accuracy Error Rate Percentage				
Accuracy (A), Completeness (C), Timeliness (T)				
Data Element No.	Data Element Name	Error Rate (percent)*		
		A	C	T
42	Funding Office Name	95.3	95.3	95.3
30	Primary Place of Performance Address	79.2	0.3	2.5
17	NAICS Code	32.3	0.0	2.2
27	Period of Performance Current End Date	27.1	0.0	2.2
28	Period of Performance Potential End Date	26.8	0.0	2.2
15	Potential Total Value of Award	26.3	0.0	2.2
26	Period of Performance Start Date	23.3	0.0	2.2
14	Current Total Value of Award	21.6	0.0	2.2
50	Object Class	12.1	0.0	1.1
51	Appropriations Account	12.1	0.0	1.1
3	Ultimate Parent Unique Identifier	11.0	0.0	2.2
4	Ultimate Parent Legal Entity Name	9.3	0.3	2.5
36	Action Type	9.3	0.0	6.3
5	Legal Entity Address	9.0	0.0	2.2
53	Obligation	9.0	0.0	1.1
25	Action Date	5.5	0.0	2.2
56	Program Activity	5.0	0.0	0.5
6	Legal Entity Congressional District	4.4	3.6	5.8
16	Award Type	4.1	0.0	2.2

Table 5. The USACE Results for Data Elements in Files C and D1 (cont'd)

USACE's File C and D1 Results Listed in Descending Order by Accuracy Error Rate Percentage				
Accuracy (A), Completeness (C), Timeliness (T)				
Data Element No.	Data Element Name	Error Rate (percent)*		
		A	C	T
22	Award Description	4.1	0.0	2.2
33	Primary Place of Performance Country Name	2.7	0.3	2.5
1	Awardee/Recipient Legal Entity Name	2.2	0.0	2.2
13	Federal Action Obligation	2.2	0.0	2.2
32	Primary Place of Performance Country Code	1.9	0.3	2.5
31	Primary Place of Performance Congressional	0.8	0.0	2.2
49	Awarding Office Code	0.5	0.0	2.2
58	National Interest Action (DE 163)	0.5	0.0	2.2
2	Awardee/Recipient Unique Identifier	0.3	0.0	2.2
18	NAICS Description	0.3	0.3	2.5
34	Award Identification Number (PIID/FAIN)	0.3	0.0	1.6
41	Funding Sub Tier Agency Code	0.3	0.0	2.2
43	Funding Office Code	0.3	0.0	2.2
48	Awarding Office Name	0.3	0.0	2.2
7	Legal Entity Country Code	0.0	0.0	2.2
8	Legal Entity Country Name	0.0	0.0	2.2
23	Award Modification / Amendment Number	0.0	0.6	2.2
24	Parent Award Identification Number	0.0	0.0	1.3
29	Ordering Period End Date	0.0	0.0	0.0
38	Funding Agency Name	0.0	0.0	2.2
39	Funding Agency Code	0.0	0.0	2.2
40	Funding Sub Tier Agency Name	0.0	0.0	2.2
44	Awarding Agency Name	0.0	0.0	2.2
45	Awarding Agency Code	0.0	0.0	2.2
46	Awarding Sub Tier Agency Name	0.0	0.0	2.2
47	Awarding Sub Tier Agency Code	0.0	0.0	2.2
59	Disaster Emergency Fund Code (DE 430)	0.0	0.0	1.1

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

Source: The DoD OIG.

Analysis of the Accuracy of Dollar Value-Related Data Elements

Table 6 summarizes our results for the analysis of the accuracy of dollar value-related data elements tested in File C and D1 for the fourth quarter of FY 2020.

Table 6. Accuracy of the USACE File C and D1 Dollar-Value Related Data Elements

Accuracy of Dollar-Value Related Data Elements¹								
PIID/ FAIN	Data Element		Accurate	Not Accurate	N/A²	Total Tested	Error Rate	Absolute Value of Errors
PIID	DE 13	Federal Action Obligation	357	8	0	365	2.2%	\$1,279,822.00
PIID	DE 14	Current Total Value of Award	286	79	0	365	21.6%	\$313,645,647.73
PIID	DE 15	Potential Total Value of Award	269	96	0	365	26.3%	\$370,431,019.49
PIID	DE 53	Obligation	332	33	0	365	9.0%	\$263,179,217.62
Total			1,244	216	0	1,460		

¹ The results of the table presented above are not projectable because the statistical sample was performed on attributes, not monetary amounts associated with each data element.

² N/A = Not applicable because the data element was optional and USACE did not report the data.

Source: The DoD OIG.

Appendix G

CIGIE's DATA Act Anomaly Letter



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

CIGIE's DATA Act Anomaly Letter (cont'd)

Page 2

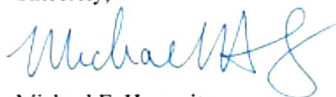
intent of the oversight provisions in the DATA Act and provide useful reports for the public, the Congress, the Executive Branch, and others.

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

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

Management Comments

U.S. Army Corps of Engineers



DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
WASHINGTON, D.C. 20314-1000
441 G STREET NW
WASHINGTON, D.C. 20314-1000

CERM-F (37)

3 November 2021

SUBJECT: Response for the DoD OIG Draft Report: "Audit of U.S. Army Corps of Engineers Compliance with the Digital Accountability and Transparency Act of 2014," (Project No. D2021-D000CS-0040.000), dated 26 Oct 2021.

1. We understand that DoD OIG's audit objective was to determine whether the U.S. Army Corps of Engineers (USACE) complied with Public Law 113-101, "Digital Accountability and Transparency Act of 2014" (DATA Act) by assessing the USACE FY20 fourth quarter DATA Act files' completeness, accuracy, timeliness, and quality and assessing USACE's implementation and use of the Government-wide financial data standards (data elements) established by the Office of Management and Budget (OMB) and the Department of the Treasury (the Treasury).
2. We agree with DoD OIG that it is important for data submitted for publication on USAspending.gov to be reliable and valid. DoD OIG's assessment is a helpful tool as USACE continually improves DATA Act files and demonstrates accountability to the American public.
3. We concur with your findings that USACE did not comply with all DATA Act requirements for its fourth quarter FY 2020 DATA Act submission, specifically that COVID-19 outlays were excluded in its initial fourth quarter FY 2020 File C submission. We also concur with the finding that USACE's data quality score was in the "Higher" category based on calculations in the Council of the Inspectors General on Integrity and Efficiency (CIGIE) guide.
4. We include the context below to help readers better understand DoD OIG's findings concerning completeness and accuracy, and USACE's responses to recommendations.
 - a. The robust internal control inherent in the Corps of Engineers Financial Management System (CEFMS II) and management business processes have resulted in 13 consecutive, clean financial audit opinions. USACE is one of the few agencies able to demonstrate the highest level of accountability and transparency during financial statement audits.
 - b. Completeness. USACE received COVID-19 related funding under authority issued in the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136. Funds are managed, track and executed within CEFMS II using the applicable Public Law as well as the assigned Disaster Emergency Fund Code (DEFC) value of 'N'. Due to a line of code designed to increase efficiency during the file creation process, outlays with a DEFC of 'N' were inadvertently omitted from the initial USACE fourth quarter FY20 File C

U.S. Army Corps of Engineers (cont'd)

SUBJECT: Response for the DoD OIG Draft Report: "Audit of U.S. Army Corps of Engineers Compliance with the Digital Accountability and Transparency Act of 2014," (Project No. D2021-D000CS-0040.000), dated 26 Oct 2021.

submission. In May 2021, USACE corrected the coding error, and resubmitted and recertified the fourth quarter FY 2020 File C submission inclusive of the COVID-19 outlays. Due to the timeframe of the corrected File C submission, DOD OIG was unable to select a sample of COVID-19 outlays for validation that the coding error was corrected for the fourth quarter FY 2020 and subsequent DATA Act submissions.

- c. **Accuracy.** DoD OIG sampled 365 transactions and identified 2,479 errors in USACE File D1 submission. Most sample failures were related to inaccurate or incomplete data entered in the Federal Procurement Data System-Next Generation (FPDS-NG). As outlined in the USACE data quality plan, the Office of Defense Pricing and Contracting, Office of the Under Secretary of Defense for Acquisition and Sustainment is responsible for oversight of FPDS-NG and the verification and validation of the contract award data reported in File D1. The data entered into this system is outside the control of USACE and can cause errors for multiple reasons, namely:
- i. Inaccurate data entry by a third party such as General Services Administration (e.g., "Legal Entity Congressional District", "Ultimate Parent Legal Entity Name").
 - ii. Data not actually erroneous, but specific items allowed by procurement policy (e.g., the "NAICS Code" is not required to be shown on all award documents, "Primary Place of Performance Address" and "Funding Office Name" are not required to be shown on award documents but interpreted as exceptions by the DOD OIG audit team when blank).

5. USACE Responses to DoD OIG Recommendations:

- a. **DoD OIG Recommendation 1: U.S. Army Corps of Engineers Chief of Engineers and Commanding General provide documentation to support that the coding error that removed coronavirus disease–2019 outlays from File C was corrected for the fourth quarter of FY 2020 and subsequent submissions.** Concur. USACE uses an internal system process called Customer Inquiries (Problem Reports) to report, track, and initiate solutions to issues such as the coding error that led to the File C COVID-19 outlay omissions. This documentation will be provided in response to this recommendation.
- b. **DoD OIG Recommendation 2: U.S. Army Corps of Engineers Chief of Engineers and Commanding General revise and implement the U.S. Army Corps of Engineers data quality plan to be consistent with Federal guidance, by including a process for ensuring that disaster and emergency relief funds are complete and accurate before making quarterly Digital Accountability and Transparency Act submissions.** Concur. USACE will expand Section 4 of the USACE DQP to identify a process for assuring DEFC

U.S. Army Corps of Engineers (cont'd)

SUBJECT: Response for the DoD OIG Draft Report: "Audit of U.S. Army Corps of Engineers Compliance with the Digital Accountability and Transparency Act of 2014," (Project No. D2021-D000CS-0040.000), dated 26 Oct 2021.

funds are complete and accurate quarterly DATA Act submissions to include any necessary reconciliations prior to transmission and certification.

6. Point of contact for this action is [REDACTED]

FOR THE COMMANDER:

STEFFENS.THOMAS Digitally signed by
.CHARLES: [REDACTED] STEFFENS.THOMAS.CHARLES [REDACTED]
Date: 2021.11.03 12:37:11 -0400

THOMAS C. STEFFENS
Director Resource Management

Acronyms and Abbreviations

CARES Act	Coronavirus Aid, Relief, and Economic Security Act
CFO	Chief Financial Officer
CIGIE	Council of the Inspectors General on Integrity and Efficiency
COVID-19	Coronavirus Disease–2019
DATA Act	Digital Accountability and Transparency Act of 2014
DEFC	Disaster Emergency Fund Code
FAEC	Federal Audit Executive Council
FFATA	Federal Funding Accountability and Transparency Act of 2006
FPDS-NG	Federal Procurement Data System–Next Generation
GAO	Government Accountability Office
NAICS	North American Industrial Classification System
OIG	Office of Inspector General
OMB	Office of Management and Budget
SAO	Senior Accountable Officer
USACE	U.S. Army Corps of Engineers

Glossary

Appropriations Account. Appropriation authority provides authorization by an act of Congress, which permits Federal entities to incur obligations and to make payments out of the Treasury for specified purposes. Appropriation accounts for 1-year or multiple-year appropriations are available for obligation for a definite period. No-year accounts are available for obligation for an indefinite period of time.

DATA Act Broker System. A system created by the Treasury to collect and validate agency data. The system processes Federal spending data from an agency's award and financial systems, validates it, and standardizes it in accordance with rules established by OMB and the Treasury.

DATA Act Working Group. Established by the FAEC to assist the Inspector General community in adopting a common methodology and reporting approach in accordance with the DATA Act.

Federal Audit Executive Council (FAEC). A subcommittee of CIGIE formed to discuss and coordinate issues affecting the Federal audit community, especially regarding audit policy and operations of interest to members.

Object Class Code. Combination of digits used to further organize and identify general categories (object classes) that presents obligations by the items or services purchased by the Federal Government. They are designated by OMB Circular No. A-11.

Outlay. A payment to liquidate an obligation (other than the repayment of debt principal or other disbursements that are "means of financing" transactions). Outlays are generally equal to cash disbursements but also are recorded for cash-equivalent transactions, such as the issuance of debentures to pay insurance claims, and in a few cases are recorded on an accrual basis such as interest on public issues of the public debt. Outlays are the measure of Government spending.

Prime Awardee. The recipient of an award.

Program and Financing Schedule. Document printed in the President's Budget Appendix. Presents information on agency programs, the allocation of budgetary resources by activity, the status of those resources, and spending patterns.

Treasury Account Symbol. An identification code assigned by the Treasury, in collaboration with OMB and the owner agency, to an individual appropriation, receipt, or other fund account. All financial transactions of the U.S. Government are classified by Treasury Account Symbol for reporting to the Treasury and OMB.

USAspending.gov. Publicly accessible, searchable website mandated by FFATA to give the American public access to information on how their tax dollars are spent.

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U.S. DEPARTMENT OF DEFENSE

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For more information about DoD OIG reports or activities, please contact us:

Congressional Liaison

703.604.8324

Media Contact

public.affairs@dodig.mil; 703.604.8324

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Alexandria, Virginia 22350-1500
www.dodig.mil
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