



November 8, 2017

TO: David S. Ferriero
Archivist of the United States

FROM: James Springs *James Springs*
Inspector General

SUBJECT: *Audit of the National Archives and Records Administration's Compliance under the Digital Accountability and Transparency Act of 2014*

This memorandum transmits the results of the final report for the *Audit of the National Archives and Records Administration's Compliance under the Digital Accountability and Transparency Act of 2014 (OIG Report No. 18-AUD-02)*. We have incorporated the formal comments provided by your office.

We contracted with the independent certified public accounting firm CliftonLarsonAllen LLP (CLA) to audit National Archives and Records Administration's (NARA) compliance under the Digital Accountability and Transparency Act of 2014 (DATA Act). The contract required the audit be performed in accordance with generally accepted government auditing standards (GAGAS). CLA is responsible for the attached report dated November 8, 2017, and the results expressed in the accompanying report. To ensure the quality of their work performed, we evaluated the independence, objectivity, and qualifications of the staff; reviewed the audit plan and approach of the audit; monitored the performance of the audit; reviewed CLA's report and related documentation; and inquired of its representatives. Our review disclosed no instances where CLA did not comply, in all material respects, with GAGAS.

The report contains two recommendations to improve NARA's efforts in compliance with the requirements of the DATA Act. Your office concurred with the recommendations. Based on your November 6, 2017 response to the draft report, we consider all the recommendations resolved and open. Once your office has fully implemented the recommendations, please submit evidence of completion of agreed upon corrective actions so that recommendations may then be closed.

As with all OIG products, we determine what information is publically posted on our website from the attached report. Accountability has stated NARA does not desire any redactions to the posted report. Consistent with our responsibility under the *Inspector General Act, as amended*, we may provide copies of this report to congressional committees with oversight responsibility over the NARA.

We appreciate the cooperation and assistance NARA extended to us during the audit. Please call me with any questions, or your staff may contact Jewel Butler, Assistant Inspector General of Audits, at (301) 837-3000.



Audit of National Archives and Records Administration's Compliance
under the Digital Accountability and Transparency Act of 2014

November 8, 2017

OIG Audit Report No. 18-AUD-02



**Audit of the National Archives and Records Administration's Compliance
under the
Digital Accountability and Transparency Act of 2014**

**Prepared by:
CliftonLarsonAllen LLP
901 North Glebe Road, Suite 200
Arlington, VA 22203**

November 8, 2017

ACRONYMS

ARC	Administrative Resource Center
BFS	Bureau of Fiscal Service
CIGIE	Council of the Inspectors General on Integrity and Efficiency
CLA	CliftonLarsonAllen LLP
GAO	Government Accountability Office
DAIMS	DATA Act Information Model Schema
DATA Act	Digital Accountability and Transparency Act of 2014
FAEC	Federal Audit Executive Council
FSSP	Federal Shared Service Provider
FPDS-NG	Federal Procurement Data System – Next Generation
FFATA	Federal Funding Accountability and Transparency Act of 2006
FSRS	FFATA Subaward Reporting System
FY	Fiscal Year
NARA	National Archives and Records Administration
IG	Inspector General
OMB	Office of Management and Budget
PIID	Procurement Instrument Identifier
PRISM	Purchase Request Information System
SAM	System for Award Management
SAO	Senior Accountable Official
Treasury	United States Department of Treasury

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Executive Summary

Performance Audit of NARA's 2nd QTR, 2017 DATA Act Submission

November 8, 2017

Why Did We Conduct This Review?

CliftonLarsonAllen LLP (CLA) was engaged by the National Archives and Records Administration (NARA) Office of Inspector General (OIG) to conduct a performance audit of NARA's compliance under the Digital Accountability and Transparency Act of 2014 (DATA Act).

The objectives of the performance audit are to assess the completeness, timeliness, quality, and accuracy of fiscal year (FY) 2017, 2nd Quarter financial and award data NARA submitted for publication on USASpending.gov, and the implementation and use of the Government-wide financial data standards established by the Office of Management and Budget (OMB) and the U.S. Department of the Treasury (Treasury).

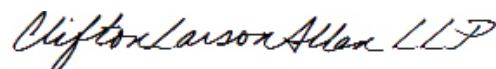
What Did We Recommend?

NARA needs to monitor and evaluate the effectiveness of controls and procedures implemented subsequent to the 2nd quarter submission to ensure data between PRISM and Federal Procurement Data System-Next Generation (FPDS-NG) are identified and corrected timely. NARA should also review and enhance the process to validate and reconcile data of contract and grant awardees, including demographic data, for all DATA Act files back to the source system on a regular basis and prior to file submission to USASpending.gov.

What Did We Find?

CLA found that the 2nd quarter financial and award data submitted was timely but not complete. We also noted errors in accuracy of the data where awards in File C were not included in File D-1. These instances occurred when an action was taken in one period but finalized in another period. NARA detected this timing issue and has implemented steps to prevent this type of error from occurring in the future. There were also occurrences of non-financial information on File D-1 not agreeing with the information in the source system, FPDS-NG. Moreover, there were instances where information did not agree to source systems outside of the control of NARA, for example, the System of Awards Management (SAM). This and several other data broker issues were noted during the audit. These issues are known to and recognized by the Council of Inspectors General on Integrity and Efficiency (CIGIE) Federal Audit Executive Council (FAEC) DATA Act Working Group. Lastly, we did not find exception to our test of NARA's financial data reported in accordance with the 57 data definition standards for DATA Act reporting established by OMB and Treasury.

NARA contracts through an interagency agreement with the U.S. Department of Treasury (Treasury), Bureau of Fiscal Services (BFS), Administrative Resource Center (ARC), a federal shared service provider (FSSP), for its financial management services. Those services consists of hosting, general accounting, accounts payable processing, travel interface processing, accounts receivable processing, reports analysis and periodic financial reporting processing. Further, BFS/ARC scope of services includes reporting NARA's financial and award data in compliance with the DATA Act. ARC has put in place controls necessary to implement and use the Government-wide financial data standards required. ARC's compliance under DATA Act for its customers like NARA is audited by the Treasury OIG.



CliftonLarsonAllen LLP
November 8, 2017

Objectives

The objectives of this performance audit is to assess:

1. the completeness, timeliness, quality, and accuracy of NARA's FY 2017, second quarter financial and award data submitted for publication on USASpending.gov; and
2. NARA's implementation and use of the Government-wide financial data standards established by the Office of Management Budget (OMB) and Treasury.

Background

The DATA Act (Public Law No. 113-101) was enacted on May 9, 2014, and among other things, requires that federal agencies report financial and spending data in accordance with data standards established by the Treasury and the OMB. The Act amends the Federal Funding Accountability and Transparency Act (FFATA) of 2006 and requires federal agencies to disclose direct federal agency expenditures and link federal contract, loan, and grant spending information to programs of federal agencies to enable taxpayers to track federal spending more effectively. The provisions of the DATA Act provide more federal spending data in a more consistent, reliable, and searchable format that is displayed accurately for taxpayers and policy makers on USASpending.gov.

The DATA Act also requires the Inspector General (IG) of each Federal agency to review a statistically valid sample of the spending data submitted by its Federal agency and to submit to Congress a publicly available report assessing the completeness, timeliness, quality, and accuracy of the data sampled and the implementation and use of the Government-wide financial data standards by the Federal agency.

To meet the DATA Act review needs of the IG community and to assure the consistency of the testing approach and methodology used by the IGs across the Federal agencies, the Council of the Inspectors General on Integrity and Efficiency (CIGIE) Federal Audit Executive Council (FAEC) established the DATA Act Working Group to provide a common approach and methodology.

NARA contracts through an interagency agreement with the U.S. Department of Treasury (Treasury), Bureau of Fiscal Services (BFS), Administrative Resource Center (ARC), a federal shared service provider (FSSP), for its financial management services. Those services consists of hosting, general accounting, accounts payable processing, travel interface processing, accounts receivable processing, reports analysis and periodic financial reporting processing. Further, BFS/ARC scope of services include reporting NARA's financial and award data in compliance with the DATA Act. Although the BFS/ARC performs specific DATA Act financial reporting duties, NARA is primarily responsible to ensure that the integrity and quality of the data reported is complete, accurate and timely.

Data Standards, Schema, and Submission

The DATA Act requires Treasury and OMB to:

- Establish Government-wide financial data standards for any Federal funds made available to or expended by Federal agencies and entities receiving Federal funds
- Include common data elements for financial and payment information to be reported

On August 31, 2015, OMB and Treasury finalized 57 data definition standards, and on April 29, 2016, Treasury issued the final version of the DATA Act Information Model Schema v1.0 (DAIMS). The DAIMS guides agencies in the production and submission of the required data. Appendix VI lists the 57 different data standards. Agencies are required to submit their financial data to Treasury through software called the DATA Act broker (broker). The broker also pulls procurement and financial assistance award and sub-award information from Government-wide systems, as agencies are already required to submit such data. Those systems are:

- Federal Procurement Data System – Next Generation (FPDS-NG) – Repository for Federal procurement award data operated by the General Services Administration
- Award Submission Portal – Repository for financial assistance transactions on awards of more than \$25,000 operated by Treasury
- FFATA Sub-award Reporting System (FSRS) – Reporting tool prime awardees use to capture and report sub-award and executive compensation data operated by the General Services Administration
- System for Award Management (SAM) – System that collects registration information from entities doing business with the Federal government operated by the General Services Administration.

Reporting Submission Specification and the Interface Definition Document

The DAIMS includes two documents that contain specifications for reporting required data — the Reporting Submission Specification and the Interface Definition Document. The Reporting Submission Specification provides details on data to be submitted to the broker from an agency’s financial system as required by the DATA Act and OMB M-15-12. This includes appropriations account, object class, program activity, and award financial data. Federal agencies must generate and submit three files:

- File A – “Appropriations Account Detail” – Contains appropriation summary level data that are aligned with OMB Standard Form 133, “Report on Budget Execution and Budgetary Resources” (SF-133) reporting.
- File B – “Object Class and Program Activity Detail” – Includes obligation and outlay information at the program activity and object class level
- File C – “Award Financial Detail” – Reports the obligation and outlay information at the award level

The Interface Definition Document provides detail on data that will be extracted by the broker from other Government-wide systems pertaining to procurement and financial assistance data, recipient attributes, and sub-award information. The following four files are generated by this process:

- File D1 – Award and Awardee Attributes for Procurement (from FPDS-NG) – Award and awardee details are to be linked to File C
- File D2 – Award and Awardee Attributes for Financial Assistance (i.e., direct loans, loan guarantees, grants, etc.) (from Award Submission Portal) – Award and awardee details are to be linked to File C
- File E – Additional Awardee Attributes (from SAM) – Includes additional prime awardee attributes

- File F – Sub-award Attributes (from FFATA FSRS) – Includes sub-award information

FAEC DATA Act Working Group Inspectors General Guide to Compliance under the DATA Act (IG Guide)

The IG guide requires auditors to perform procedures in the following areas:

- Internal control over agency source systems – Auditors are to determine the extent to which agency systems can be relied on as authoritative sources for the information reported in accordance with the DATA Act.
- Internal control over DATA Act submission – Auditors are to assess the effectiveness of the internal controls implemented to reasonably assure that the data submitted are complete, accurate, timely, and of quality.
- Detail testing of FY 2017 second-quarter data submitted to the broker – Auditors are to test an agency’s submission to the broker, which is used to populate USASpending.gov, for FY 2017 second quarter data as follows:
 - Summary level financial data – Auditors are to test the reliability of summarized financial data contained in Files A and B
 - Award-level linkages – Auditors are to test whether individual award data can be linked for Files C through F
 - Award-level transaction data – Auditors are to test a statistically valid sample of awards to determine the completeness, accuracy, timeliness, and overall quality of the data submitted, including the use of the required data standards.

Results of these procedures are to be summarized in a standard GAO template and submitted to GAO on November 22, 2017. The Scope, Methodology, and Standard Report Language are found in Appendices III, IV, and V respectively.

We performed this audit from August 2017 to November 2017.

Audit Results

Assessment of Internal Controls over Source Systems

The NARA uses BFS/ARC’s Purchase Request Information System (PRISM) and ORACLE Federal Financials systems for processing and recording its procurement and financial award activities. The ARC PRISM is a procurement system that supports NARA’s purchase requisition and contract award processes. ORACLE is the financial system used to record the accounting transactions related to the contract award and contract modification activities. Transactions entered through PRISM interface real-time with Oracle. Collectively, these systems are the sources of information used to report the FY 2017 2nd quarter financial data as required by the DATA Act.

In performing NARA’s Financial Statement Audit (FSA), CLA assessed the internal controls over the BFS/ARC’s Oracle and PRISM and determined that the controls are properly designed, implemented, and operating effectively. Our assessment included the review of BFS Service Organization Controls (SOC) 2 report. A SOC 2 Report is intended to meet the needs of a broad range of users that need detailed information and assurance about the controls at a service organization relevant to security, availability, and processing integrity of the systems the service organization uses to process users’ data and the confidentiality and privacy of the information processed by these systems. Our

assessment concluded that NARA maintained effective internal controls over its source systems used for DATA Act reporting. We relied on this assessment of internal controls over source systems for the DATA Act.

Assessment of Internal Control over the Data Management and Processes (DATA Act Submission)

CLA obtained read access to the Treasury's DATA Act Broker submission portal for purposes of reviewing NARA Files A-F for their 2nd Quarter, 2017 DATA Act submission. Additionally, NARA provided their final Broker warnings and Final DATA Act Reconciliation Tool for the same period. We reviewed their final Broker warnings files and the reconciliations they performed to evaluate NARA's internal control over the data quality, accuracy, timeliness and completeness they are required to perform prior to the final data certification. Having this process in-place lends credence to the integrity of files submitted to USASpending.gov via the Broker.

CLA performed a review of NARA's SF-133 and DATA Act submission Files A-F to determine that:

- NARA's submission reflects all appropriations and outlays recorded on their quarterly Report on Budget Execution and Budgetary Resources (SF-133).
- File C linkages are in place for Files D1 – F and contain the demographic information for reportable award-level transactions.

Test of DATA Act Submission

Sample Selection

The IG guide requires Office of Inspector General (OIG) engagement teams to “randomly select a statistically valid sample of certified spending data from the reportable award-level transactions included in the agency's certified submission for File C, or Files D1 and D2 if File C is unavailable.” It recommends a sample size of 385 transactions, a confidence interval of 95 percent, a desired precision rate of 5 percent, and an expected error rate of 50 percent. The IG audit guide also allows for deviations; i.e. “The engagement team should not hesitate to modify this guide based on specific systems and controls in place at its agency, but must use professional judgment when designing alternative review procedures.”

In collaboration with the NARA OIG, we determined a judgmental sample size of 60 transactions out of a population of 321 transactions. We randomly selected a sample size of 60 transactions considering the small number of transactions at NARA; the reliance on BFS/ARC, a FSSP who has a team solely dedicated to the DATA Act implementation for its customers; and the lack of significant issues as communicated by the Treasury OIG who were performing BFS/ARC compliance under the DATA Act. A sample size of 60 was also sufficient to assess whether NARA's DATA Act reporting controls were operating in a manner to produce reliable – i.e., complete, accurate, timely, and quality – results. Based on these considerations, CLA and the OIG jointly determined that a sample size of 60 would be adequate to perform testing of the DATA Act submission.

Results of Sample Tests Performed at the Award and Transaction Level

As part of the testing phase, we evaluated NARA's DATA Act submission by performing tests of summary-level data between Files A and B, detail tests of award-level linkages (Files C through F) and of award-level transaction data for a sample of 60 transactions selected from File C. Based on the results of our tests, we noted the following exceptions in testing sampled transactions from File C:

1. CLA verified that the applicable procurement awards from File C are included in File D1, Award and Awardee Attributes for Procurement Awards, by matching the Procurement Instrument Identifier Numbers (PIIDs).
 - We noted two sample items where the PIIDs in File C were not included in File D1. These differences were caused by timing differences when obligations were submitted in FPDS-NG in the first quarter of 2017, but was approved in PRISM in the second quarter. This resulted in a timing where the PIIDs were in File C for the 2nd quarter but were in File D1 for the 1st quarter. The PIIDs in File C not being reported in File D1 in the 2nd quarter was a completeness and accuracy exception but not a timing exception as the lag was within a 30-day period. NARA has implemented steps to prevent these timing differences from occurring in the future.
 - For 1 sample the PIID was located in the PAID Column in File C but was not found in D1. This was a completeness and accuracy exception.
 - For 2 samples, the PIIDs in File D1 are located in the PAID column. For these two PIIDs, the modification number is not located in the Modification Column within File D1, but is located in the PIID Column. This was an accuracy exception.
2. CLA matched D1 non-financial elements to the information in FPDS-NG. As a result we identified the following accuracy exceptions in which the data in File D1 and FPDS-NG did not agree. We noted that some of the information have been corrected after we initially reported the exception.
 - For 1 sample, The legal entity name in D1 did not match the information in FPDS-NG
 - For 3 samples, the legal entity address in D1 did not match the information in FPDS-NG
3. For 1 sample, the Primary Place of Performance Congressional district did not agree between D1 and FPDS-NG. This is an accuracy exception.
4. We matched the non-financial elements of (1) awardee/recipient legal entity name, (2) legal entity address, (3) highly compensated officer name, (4) primary place of performance and (5) congressional district and address of 4 sample items from D2 to the information in the agency's system and SAM.
 - We noted that for every sample pertaining to financial assistance grants, we could not verify the highly compensated officer name or compensation data elements because the information was not displayed in SAM.

- For 2 samples, the Legal Entity Address did not agree between D2 and SAM.
- For 1 sample, the Congressional District did not match between file D2 and SAM

Demographic errors impact the completeness and accuracy of DATA Act data submissions and consequently the production of Files D – F. Ultimately NARA's submission to USA Spending will be impacted by these errors.

5. For each transaction from the sample that contains Federal award data, CLA used the non-financial element codes in File D1 to compare to information in SAM.

- We noted that for every procurement contract listed in D1, we could not verify the highly compensated officer name or compensation data elements because the information is not displayed in SAM.
- For 2 samples, the information for an entity was restricted and not available for review
- For 16 samples, the business type in File D1 did not match SAM
- For 10 samples, the NAICS code in D1 was not in agreement with SAM
- For 1 sample, the Congressional District was not in agreement with SAM
- For 5 samples, the Entity Address was not in agreement with SAM
- For 1 sample, the DUNS number did not agree with SAM

Non-financial errors impact the completeness and accuracy of DATA Act data submissions and consequently the production of Files D – F. Ultimately NARA's submission to USASpending.gov are impacted by these errors.

6. CLA verified the validity of the financial information reported in File D1 by using the PIIIDs in matching the following financial element from File D1 to FPDS-NG: (1) Current Amount and (2) Potential Total Value. There were 38 exceptions in which the totals were not pulled correctly by the Broker. These errors impact the accuracy of the data in USASpending.gov.

7. Issues concerning SAM:

As we worked through the DATA Act audit process, the FAEC DATA Act working group was continually noting that there are errors being found that are caused by systematic issues between the DATA Act Broker when pulling data from third party systems i.e., SAM which are out of the control of NARA. Awardee input is the source for SAM population and it is difficult for NARA to be aware of all mismatches between SAM and FPDS-NG. An issue that faces this process was that awardees of NARA procurements and grants were not keeping their demographic data current within SAM.

Recommendations:

We recommend that NARA's Senior Accountable Official (SAO):

1. Monitor and evaluate the effectiveness of the procedures and controls already taken to reduce timing errors between FPDS-NG and PRISM.
2. Review and enhance the process to validate and reconcile data of contract and grant awardees, including demographic data, for all DATA Act files back to the source system on a regular basis and prior to file submission to USA Spending.



Date: November 6, 2017

To: James Springs, Inspector General

From: David S. Ferriero, Archivist of the United States

Subject: Management's Response to OIG Report 18-AUD-02, *Audit of NARA's Compliance under the Digital Accountability and Transparency Act of 2014*

Thank you for the opportunity to provide comments on this final report. We appreciate your willingness to meet and clarify language in the report. We concur with both of the recommendations in this audit, and in response, the attachment provides a summary of our proposed actions. As each recommendation is satisfied, we will provide documentation to your office.

I would like to thank the Office of Inspector General and CliftonLarsenAllen LLP for their cooperative and professional approach in the conduct of this audit. If you have questions about this action plan, please contact Kimm Richards at kimm.richards@nara.gov or by phone at 301-837-1668.



DAVID S. FERRIERO
Archivist of the United States

Attachment

NATIONAL ARCHIVES *and*
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**Action Plan Response to OIG Report:
18-AUD-02, *Audit of NARA's Compliance under the Digital Accountability
and Transparency Act of 2014***

Recommendation 1: Monitor and evaluate the effectiveness of the procedures and controls already taken to reduce timing errors between FPDS-NG and PRISM.

Planned Action: NARA will evaluate subsequent submissions to evaluate whether the additional controls are operating as intended.

Target Completion Date: November 30, 2017

Recommendation 2: Review and enhance the process to validate and reconcile data of contract and grant awardees, including demographic data, for all DATA Act files back to the source system on a regular basis and prior to file submission to USA Spending.

Planned Action: NARA will send a reminder to staff responsible for making awards to validate awardee data before an award is made. NARA will also evaluate the use of additional tools to validate and reconcile data.

Target Completion Date: March 31, 2018

DATA Act Readiness Review Report Update

CLA performed, for NARA OIG, a Readiness Review of Steps 1-4 of the Agency 8-Step Plan to comply with the DATA Act based on the OMB Memorandum M-15-12. Also, The Treasury OIG conducted an audit of the BFS/ARC's, the FSSP, efforts to report financial and payment information on behalf of its customer's agencies as of September 30, 2016. The Treasury OIG's report *DATA Act Readiness: ARC is Making Progress in Meeting DATA Act Reporting Requirements Despite Challenges*, OIG-17-039 dated April 13, 2017, indicated that If ARC fully executes its DATA Act implementation plan as designed, ARC will meet the DATA Act reporting requirements by the established May 2017 deadline.

In the NARA OIG Report No. 17-R-14, *Review of the National Archives and Records Administration's Readiness to Implement the Digital and Accountability and Transparency Act of 2014*, dated June 16, 2017, CLA provided recommendations for NARA (1) to develop a DATA Act governance structure and mission statement for their DATA Act working group and (2) to formally document policies and procedures for reviewing data and systems, including those completed on their behalf by ARC. NARA has adequately addressed both recommendations.

Scope

The NARA OIG contracted with CLA to perform an audit to report on NARA's compliance under the Digital Accountability and Transparency Act of 2014 (DATA Act), Public Law 113-101. The Council of the Inspectors General on Integrity and Efficiency (CIGIE) identified a timing anomaly with the oversight requirements contained in the DATA Act of 2014. That is, the first Inspector General (IG) reports were due to Congress in November 2016; however, the Federal agencies are not required to report spending data until May 2017. To address this report date anomaly, the IGs plan to provide Congress with their first required reports by November 8, 2017, a 1-year delay from the statutory due date, with two subsequent reports each following on a 2-year cycle. On December 22, 2015, CIGIE's chair issued a letter memorializing the strategy for dealing with the IG reporting date anomaly and communicated it to the Senate Committee on Homeland Security and Government Affairs and the House Committee on Oversight and Government Reform. This report is in fulfillment of the OIG's responsibility to report to Congress on November 8, 2017.

The scope of this performance audit was the FY 2017, second quarter financial and award data NARA submitted for publication on USASpending.gov and any applicable procedures, certifications, documentation, and controls to achieve this process. We conducted this performance audit in accordance with generally accepted government auditing standards, as specified in the GAO's *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.

The table below provides information on the FY 2017 second quarter files containing financial and payment information submitted by NARA on April 28, 2017:

File Name	File Contents	File Description
File A	Appropriations Account	File A includes fiscal year cumulative Federal appropriation account summary-level data. Information is submitted by agency's financial system.
File B	Program Activity and Object Class	File B includes fiscal year cumulative Federal object class and program activity summary level data. Information is submitted by agency's financial system
File C	Award-Level Financial	File C includes the obligation amounts for awards made and/or modified during the reporting period. Information is submitted by agency's financial system.
File D1	Award and Awardee Attributes- Procurement Awards	File D1 contains detailed demographic information for award-level transactions reported in File C. File is submitted by external award reporting system to Treasury's DATA Act Broker.
File D2	Award and Awardee Attributes – Financial Assistance	File D2 contains demographic information for award-level transactions for grants reported in File C. File is submitted by external award reporting system to Treasury's DATA Act Broker.
File E	Additional Awardee Attributes	File E contains detailed demographic information for award-level transactions reported in File C. File is submitted by external award reporting system to Treasury's DATA Act Broker.

File F	Sub-Award Attributes	File F contains sub-award information submitted by external award report system to Treasury's DATA Act Broker.
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Methodology

We followed the audit methodology prescribed in the Inspector General Guide to Compliance under the DATA Act, February 27, 2017, as updated on July 6, 2017. General summary of audit procedures consistent with the IG Guide include:

- Evaluated the internal controls over the source systems (Oracle and PRISM);
- Evaluated the internal controls over the submission of DATA Act data;
- Obtained an understanding of any regulatory criteria related to NARA's responsibilities to report financial and award data under the DATA Act;
- Assessed NARA's internal controls in place over the financial and award data reported to USASpending.gov per Office of Management and Budget (OMB) Circular A-123;
- Determined a judgmental sample size of 60 out of 321 transactions.
- Reviewed 60 randomly selected samples from FY 2017, second quarter financial and award data submitted by NARA for publication on USASpending.gov;
- Assessed the completeness, timeliness, quality, and accuracy of the financial and award data sampled;
- Assessed NARA's implementation and use of the 57 data definition standards established by OMB and Treasury; and
- Obtained the Senior Accountable Official (SAO) certification to determine whether the quarterly assurance on NARA's controls supporting the reliability and validity of the agency's summary-level and award-level data reported for publication on USASpending.gov is supported.

Standard Report Language

The following is standard report language provided by the FAEC DATA Act Working Group to describe errors caused by broker issues that were beyond an agency's control. The language provides a proper context for matters we reported.

Government-wide Data Reporting Issues

Current Total Value of Award and Potential Total Value of Award Errors for Procurement Award Modifications – Data from the (1) Current Total Value of Award and (2) Potential Total Value of Award elements are extracted from FPDS-NG via the legacy USAspending.gov and provided to the broker.^{1 2} Specifically, data for these elements are extracted from the following FPDS-NG fields respectively: (1) base and exercised options value and (2) base and all options value. These two fields are categorized in FPDS-NG under two columns for data entry labeled “Current” and “Total.”

The “Current” column contains amounts entered into the system by the agency. The “Total” column contains cumulative amounts computed by FPDS-NG based on the modification amounts entered into the system by the agency. Procurement award modifications, included in our sample, reported values for these elements from FPDS- NG’s “Current” column, which displays the modification amount, rather than the “Total” column, which displays the total award value. As a result, data for the Current Total Value of Award and Potential Total Value of Award elements were inconsistent with agency records. A no-cost modification would cause the “Total” column to display an erroneous zero balance. Procurement awards (base awards) that were not modified did not produce these same errors. The Department of the Treasury’s PMO Government-wide DATA Act Program Management Office officials confirmed that they are aware that the broker currently extracts data for these elements from the “Current” column rather than the “Total” column. A Treasury official stated that the issue will be resolved once DAIMS version 1.1 is implemented in the broker and related historical data from USAspending.gov are transferred to Beta.USAspending.gov during fall 2017. However, as NARA does not have responsibility for how data is extracted by the broker, we did not evaluate the reasonableness of Treasury’s planned corrective action.

Legal Entity City Code and Primary Place of Performance County Name Errors – The Interface Definition Document, a DAIMS artifact, states that data from Legal Entity City Code and Primary Place of Performance County Name, for financial assistance awards in File D2, are extracted via Treasury’s Award Submission Portal. During fieldwork, we noted that data for these two fields were consistently blank. A Treasury official stated that data for Legal Entity City Code had not been derived since January 2017 and there were plans to reconsider how this element would be handled. The Treasury official further explained that data derived for Primary Place of Performance County Name would not be implemented until September 2017. Because data for these elements were not derived or implemented, these data fields were consistently blank and therefore not reported for display on USAspending.gov. However, as NARA does not have

¹ OMB defines the current total value of award data element as the total amount obligated to date on a contract, including the base and exercised options. Potential total value of award is defined as the total amount that could be obligated on a contract, if the base and all options are exercised.

² The legacy USAspending.gov uses FPDS Version 1.4 to extract and map that data from FPDS-NG. This was a one-time extraction for 2nd quarter transactions.

responsibility for how data is extracted by the broker from Treasury's Award Submission Portal, we did not evaluate the reasonableness of Treasury's planned corrective action.

Testing Limitations for Data Reported from Files E and F

File E of the DAIMS contains additional awardee attribute information extracted from SAM via the broker. File F contains sub-award attribute information extracted from the FFATA Subaward Reporting System via the broker. It is the prime awardee's responsibility to report sub-award and executive compensation information in SAM and FFATA Subaward Reporting System. Data reported from these two award reporting systems are generated in the broker for display on USASpending.gov. As outlined in OMB's Management Procedures Memorandum 2016-03, the authoritative sources for the data reported in Files E and F are SAM and FFATA Subaward Reporting System, respectively, with no additional action required of Federal agencies. As such, we did not assess the completeness, accuracy, timeliness, and quality of the data extracted from SAM and FFATA Subaward Reporting System via the broker.

Data Quality Assessments

NARA and the OIG FAEC Working Group realize that until the broker weaknesses identified in this report are addressed, any efforts to assess the quality of NARA data submitted for publication on Beta.USAspending.gov will be limited.

**FEDERAL SPENDING TRANSPARENCY DATA STANDARDS
(57 standards)**

Element Number	Data Element	Data Standards
1	Appropriations Account	Account Level
2	Budget Authority Appropriated	Account Level
3	Object Class	Account Level
4	Obligation	Account Level
5	Other Budgetary Resources	Account Level
6	Outlay	Account Level
7	Program Activity	Account Level
8	Treasury Account Symbol (excluding sub-account)	Account Level
9	Unobligated Balance	Account Level
10	Action Date	Award Characteristic
11	Action Type	Award Characteristic
12	Award Description	Award Characteristic
13	Award Identification (ID) Number	Award Characteristic
14	Award Modification/Amendment Number	Award Characteristic
15	Award Type	Award Characteristic
16	Business Types	Award Characteristic
17	CFDA Number	Award Characteristic
18	CFDA Title	Award Characteristic
19	NAICs Code	Award Characteristic
20	NAICS Description	Award Characteristic
21	Ordering Period End Date	Award Characteristic
22	Parent Award Identification (ID) Number	Award Characteristic
23	Period of Performance Current End Date	Award Characteristic
24	Period of Performance Potential End Date	Award Characteristic
25	Period of Performance Start Date	Award Characteristic
26	Primary Place of Performance Address	Award Characteristic
27	Primary Place of Performance Congressional District	Award Characteristic
28	Primary Place of Performance Country Code	Award Characteristic
29	Primary Place of Performance Country Name	Award Characteristic

30	Record Type	Award Characteristic
31	Amount of Award	Award Amount
32	Current Total Value of Award	Award Amount
33	Federal Action Obligation	Award Amount
34	Non-Federal Funding Amount	Award Amount
35	Potential Total Value of Award	Award Amount
36	Awardee/Recipient Legal Entity Name	Award Amount
37	Awardee/Recipient Unique Identifier	Award Amount
38	Highly Compensated Officer Name	Award Amount
39	Highly Compensated officer Total Compensation	Award Amount
40	Legal Entity Address	Award Amount
41	Legal Entity Congressional District	Award Amount
42	Legal Entity Country Code	Award Amount
43	Legal Entity Country Name	Award Amount
44	Ultimate Parent Legal Entity Name	Award Amount
45	Ultimate Parent Unique Identifier	Award Amount
46	Awarding Agency Code	Awarding Entity
47	Awarding Agency Name	Awarding Entity
48	Awarding Office Code	Awarding Entity
49	Awarding Office Name	Awarding Entity
50	Awarding Sub Tier Agency Code	Awarding Entity
51	Awarding sub Tier Agency Name	Awarding Entity
52	Funding Agency Code	Awarding Entity
53	Funding Agency Name	Awarding Entity
54	Funding Office Code	Awarding Entity
55	Funding Office Name	Awarding Entity
56	Funding Sub Tier Agency Code	Awarding Entity
57	Funding Sub Tier Agency Name	Awarding Entity

SUMMARY OF DETAIL TEST RESULTS

Results of Detail Test Summary-Level Financial Data [Section 410 of FAEC Guide]			
Description of Exception	Samples Tested	Exceptions Noted	Error Rate
NARA had no exceptions noted for the detail test of Summary Level Financial Data.	60	0	0%
Results of Detail Test Award-Level Linkages [Section 440 of FAEC Guide]			
Description of Exception	Samples Tested	Exceptions Noted	Error Rate
a. PIIDs in File C were not in File D1	56	2	4%
b. The PIID document number was located in the PAID Column in File C and is not found in File D1			
c. D1 and FPDS-NG did not match for the obligation amount	56	1	2%
d. D1 and FPDS-NG did not Match for the Legal Entity Name	56	2	4%
e. D1 and FPDS-NG did not match for the Legal Entity Address	56	1	2%
f. D1 and FPDS did not match for the Primary Place of Performance Congressional District	56	3	5%
g. D2 and SAM did not match for the Legal Entity Address			
h. D2 and SAM did not match for the Congressional District	56	1	2%
i. Current Amount Listed in D1 to FPDS-NG	4	2	50%
j. Potential Total Value listed in D1 to FPDS-NG	4	1	25%
k. D1 to SAM did not match for the Highly Compensated Officer Data due to either the entity data being restricted or the data was not available	56	38	68%
	56	38	68%
l. D2 to SAM did not match for the Highly Compensated Officer Data			

due to the entity data was not available	56	56	100%
	4	4	100%
Results of Detail Test Award-Level Transaction Data [Section 450 of FAEC Guide]			
a. Business types identified in D1 did not match those identified in SAM	56	16	29%
b. The North American Industry Classification System (NAICS) code listed in D1 was not in agreement with SAM	56	10	18%
c. The North American Industry Classification System (NAICS) definition listed in D1 was not in agreement with SAM.	56	10	18%
d. The Legal Business Congressional District listed in D1 was not in agreement with SAM	56	1	2%
e. The Legal Entity Address listed in D1 was not in agreement with SAM	56	5	9%
f. The awardee/recipient unique identifier (DUNS) listed in D1 was not listed in SAM	56	1	2%

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