Denali Commission

Report of Findings and Recommendations for the Review of the Denali Commission's Compliance with the DATA Act Second Quarter Fiscal Year 2021 Submission

FINAL REPORT
November 8, 2021
Report No. 2021.11
Denali Commission Office
of Inspector General

INSPECTOR GENERAL

MEMORANDUM

DATE: November 8, 2021

TO: Garrett Boyle
Federal Co-Chair, Denali Commission

FROM: Roderick H. Fillinger
Inspector General

SUBJECT: *Review of the Denali Commission's Compliance with the DATA Act Second Quarter Fiscal Year 2021 Submission* (Report No. 2021.11)

I am pleased to provide you with the attached audit report in which SB & Company, LLC (SBC), an independent public accounting firm, presented an opinion on the Denali Commission's compliance with the Digital Accountability and Transparency Act of 2014 (DATA Act). SBC planned and performed the examination to obtain reasonable assurance about

- Completeness, accuracy, timeliness, and quality of the financial and award data submitted for publication on USASpending.gov, and

- The Denali Commission's implementation and use of the Government-wide financial data standards established by the Office of Management and Budget and the U.S. Department of the Treasury.

In SBC's opinion, the Denali Commission's DATA Act submission to Treasury's DATA Act Broker for the second quarter of FY 2021 was complete and submitted timely. SBC determined that the quality of the Commission's data is considered "Higher" based upon its review.

My office oversaw the audit performance, including the review of SBC's report and related documentation and inquiries of its representatives. Our review disclosed no instances where SBC did not comply, in all material respects, with U.S. generally accepted government auditing standards. SBC is solely responsible for the attached report, dated November 8, 2021, and the conclusions expressed in it.

We appreciate the cooperation and courtesies the Denali Commission extended to both SBC and my office during the audit. If you wish to discuss the contents of this report, please call me at (907) 271-3500.

Attachment

cc: Commissioners
John Whittington, General Counsel

Report of Findings and Recommendations for the Review of the Denali Commission's Compliance with the DATA Act
Second Quarter Fiscal Year 2021 Submission

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Report of Findings and Recommendations for the Denali Commission's Compliance with DATA Act Submission Requirements

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Section I

Background

The DATA Act, in part, requires Federal agencies to report financial and award data in accordance with the established Government-wide financial data standards. In May 2015, the Office of Management and Budget (OMB) and Treasury published 57 data definition standards (commonly referred to as data elements) and required Federal agencies to report financial and award data in accordance with these standards for DATA Act reporting, in January 2017. Subsequently, and in accordance with the DATA Act, Treasury began displaying Federal agencies' data on USASpending.gov for taxpayers and policy makers in May 2017.

Section II

Audit Objective

The objectives of this audit are to assess the (1) completeness, accuracy, timeliness, and quality of the financial and award data submitted for publication on USASpending.gov and (2) Federal agency's implementation and use of the Government-wide financial data standards established by OMB and Treasury for the Denali Commission (the Commission).

Scope and Methodology

The scope of this audit will be fiscal year 2021, second quarter financial and award data the Commission submitted for publication on USASpending.gov, and any applicable procedures, certifications, documentation, and controls to achieve this process.

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To accomplish the objectives, the SB & Company, LLC (SBC):

- Obtained an understanding of any regulatory criteria related to the Commission's responsibilities to report financial and award data under the DATA Act;
- Reviewed the Commission's data quality plan (DQP);
- Assessed the internal and information system controls in place as they relate to the extraction of data from the source systems and the reporting of data to Treasury's DATA Act Broker, in order to assess audit risk and design audit procedures;
- Reviewed and reconciled the fiscal year 2021, second quarter summary-level data submitted by the Commission for publication on USASpending.gov;
- Reviewed a statistically valid sample from fiscal year 2021, second quarter financial and award data submitted by the Commission for publication on USASpending.gov;
- Assessed the completeness, accuracy, timeliness, and quality of the financial and award data sampled; and
- Assessed the Commission's implementation and use of the 57 data elements/standards established by OMB and Treasury.

SB & Company, LLC

Owings Mills, Maryland
November 8, 2021

Section III - Testing and Test Results

Completeness and Timeliness of the Agency Submission

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

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

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

Record-Level Data and Linkages for Files C and D

We selected 100% of the records per File C and compared them to Files D1 and D2 to test the data elements for completeness, accuracy, and timeliness. No concerns were identified for Files D1 and D2.

Completeness of the Data Elements

SBC selected for File A, 11 accounts representing 100% of File A submission and compared the information to the SF-133, a quarterly report that contains information on the sources of budget authority and the status of budgetary resources by individual fund or appropriation. For File B, the population consisted of three Treasury Account Symbol (TAS) per File A that were compared to File B. There were three accounts which represented 100% of the population. For File C, 100% of Procurement Instrument Identifier's (PIID) were selected to compare to the respective File D1. In addition, for File C, 100% of Federal Award Identification Numbers (FAIN) were selected to compare to the respective File D2. SBC noted no errors. A data element was considered accurate when amounts and other data relating to recorded transactions were recorded in accordance with the DAIMS RSS, IDD, and the online data dictionary, and agree with the authoritative source records.

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Quality

The quality of the data elements was determined using the midpoint of the range of the proportion of errors (error rate) for completeness, accuracy, and timeliness. The highest of the three error rates was used as the determining factor of quality. The following table provides the range of error in determining the quality of the data elements.

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

Based on our test work, SBC selected the lowest error rate of 0% to 20% and determined that the quality of the Denali Commission's data is considered Higher.

Implementation and Use of the Data Standards

We have evaluated the Commission's implementation and use of the government-wide financial data standards for spending information as developed by OMB and Treasury. The Denali Commission has fully implemented and are using those data standards as defined by OMB and Treasury. The data elements populated to the File A, B and C submissions for the Denali Commission agree to the 57 data elements required per the OMB and Treasury definitions per the DAIMS. Specifically, the Commission identified, linked by common identifiers (e.g. PIID, FAIN), all of the data elements in the agency's procurement, financial, grants, and loan systems, as applicable.

Denali Commission			Maximum Points Possible	
FY 2021 DATA Act Quality Scorecard			Without Outlays (No COVID-19 Funding)	With Outlays (COVID-19 Funding)
	Criteria	Score		
Non-Statistical	Timeliness of Agency Submission	*4.0*	5.0	5.0
	Completeness of Summary Level Data (Files A & B)	*13.0*	13.0	10.0
	Suitability of File C for Sample Selection	*13.0*	13.0	10.0
	Record-Level Linkages (Files C & D1/D2)	*6.0*	9.0	7.0
	COVID-19 Outlay Testing Non-Statistical Sample	*No COVID-19 Funding*	0.0	8.0
Statistical	Completeness	*14.3*	15.0	15.0
	Accuracy	*28.7*	30.0	30.0
	Timeliness	*14.3*	15.0	15.0
Quality Score	Higher	93.39	100.0	100.0

Quality Level		
Range		Level
0.0	69.9	Lower
70.0	84.9	Moderate
85.0	94.9	Higher
95.0	100	Excellent