



**Federal Election Commission**  
Office of the Inspector General

**MEMORANDUM**

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**TO:** The Commission

**FROM:** Christopher Skinner  
Inspector General 

**SUBJECT:** Final Audit Report – Brown and Company’s Audit of the Federal Election Commission’s (FEC) Compliance with the *Digital Accountability and Transparency Act of 2014* (the DATA Act)<sup>1</sup>

**DATE:** November 5, 2021

**ENCLOSURE:** Independent Audit of the U.S. Federal Election Commission’s Compliance with the Digital Accountability and Transparency Act of 2014

The OIG contracted with Brown & Company to conduct the FEC fiscal year (FY) 2021 DATA Act audit. Based on the results of the statistical and non-statistical testing for the FEC’s DATA Act audit for FY 2021 Quarter 1 (Q1), the FEC scored 90.15 points out of 100, which is a quality rating of “Higher.”<sup>2</sup>

The enclosed report provides one finding and two recommendations that would improve the overall accuracy and timeliness of FEC’s data submissions. FEC management did not concur with the recommendations during the audit period. Accordingly, the enclosed report includes both the auditors’ and management’s respective opinions.

This performance audit was conducted in accordance with the Government Auditing Standards issued by the Government Accountability Office (GAO) and modeled after the Council of Inspectors General for Integrity and Efficiency (CIGIE) IG Guide to Compliance under the DATA Act.<sup>3</sup> The primary objective of the engagement was to satisfy the OIG’s responsibilities under the DATA Act by assessing the: (1) completeness, timeliness, quality,

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<sup>1</sup> The DATA Act, Public Law 113-101, requires the establishment of Government-wide standards for information on spending by Federal agencies, and all agencies must report spending data in compliance with the DATA Act. The OMB Management Procedures Memorandum No. 2016-03, data reported by Federal agencies in the second quarter for FY 2017 will be displayed on USAspending.gov by May 2017.

<sup>2</sup> This represents the second highest quality level rating, as further detailed in Appendix II of the enclosed report.

<sup>3</sup> The IG Guide to Compliance under the DATA Act presents a common methodological and reporting approach for the IG community to utilize in the conduct of its mandated assignments.

and accuracy of financial and payment data submitted for publication on USASpending.gov; and (2) the FEC's implementation and use of Government-wide financial data standards established by the Office of Management and Budget (OMB) and the Treasury.

The OIG reviewed Brown & Company's report and related documentation and provided the required oversight throughout the course of the audit. Our review ensures the accuracy of the audit conclusions but may not express an opinion of the audit's results. The OIG's review determines that Brown & Company complied with all required Government Auditing Standards.

We conclude that the FEC properly implemented and made proper use of the Government-wide financial data standards. Additionally, we acknowledge that the FEC made significant improvements in their reconciliation and certification procedures to identify and correct errors. However, there is still an opportunity to improve the collaboration and coordination with the federal shared service provider (USDA) to ensure errors and missing records from File C are corrected prior to submitting files to the DATA Broker.

The auditors performed detailed award level testing on 100% of the 22 records included in File D1, which determined that:

- 96.2% of data elements were complete;
- 96.2% of the data elements were timely; and
- 96% of the data elements were accurate

The OIG will provide a copy of the final audit report to the appropriate Congressional oversight committees, the GAO, OMB, and the Treasury. In addition, the OIG will post the report to its website and to Oversight.gov.

In accordance with FEC Directive 50, *Audit Follow-Up*, FEC management shall provide a draft corrective action plan (CAP) to the OIG no later than 30 days from the final report date. Subsequently, the OIG shall review and provide comments, if necessary, to the CAP within 15 days of receipt. Management shall provide the OIG an electronic copy of the final CAP.

The initial OIG follow-up meeting to discuss outstanding audit recommendations will be held six months from the issuance of the final report date.

We appreciate the collaboration and support from FEC staff and the professionalism that Brown & Company exercised throughout the course of the audit. If you have any questions concerning the enclosed report, please contact Ms. Shellie Purnell-Brown at (202) 694-1019.

Thank you.

cc: John Quinlan, Chief Financial Officer  
Alec Palmer, Staff Director/Chief Information Officer  
Gilbert A. Ford, Director of Budget  
Sheri Haynes, DATA Act Program Manager

**Federal Election Commission  
Independent Auditor's Report on the Compliance with the  
Digital Accountability and Transparency Act of 2014  
Submission Requirements for Fiscal Year 2021**



**November 5, 2021**

**Prepared by:  
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**BROWN & COMPANY**

CERTIFIED PUBLIC ACCOUNTANTS AND MANAGEMENT CONSULTANTS, PLLC

### **Independent Auditor's Report**

Federal Election Commission (FEC)  
Office of Inspector General for Federal Election Commission  
Washington, DC

The Office of Inspector General (OIG) for Federal Election Commission (FEC) contracted Brown & Company CPAs and Management Consultants, PLLC, to conduct a performance audit of FEC's fiscal year (FY) 2021 first quarter (Q1) financial and award data as of December 31, 2020, in accordance with the Digital Accountability and Transparency Act of 2014 (DATA Act). To clarify the reporting requirements under the DATA Act, the Office of Management and Budget (OMB) and U.S. Department of Treasury (Treasury) published 59 data definition standards and required Federal agencies to report financial and award data on USAspending.gov.

The audit objectives were to assess (1) completeness, accuracy, timeliness, and quality of FEC's FY 2021 Q1 financial and award data submitted to Treasury for publication on USAspending.gov and (2) FEC's implementation and use of the Government-wide financial data standards established by OMB and Treasury. FEC's management is responsible for reporting financial and award data in accordance with these standards, as applicable.

We conducted our performance audit in accordance with Generally Accepted Government Auditing Standards (GAGAS). 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. Our performance audit involves performing procedures to obtain evidence about the FY 2021 Q1 financial and award data. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the FY 2021 Q1 financial and award data, whether due to fraud or error. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We conclude that FEC complied with the requirements of the DATA Act. We found that the FY 2021 Q1 financial and award data of FEC for the quarter ended December 31, 2020, is presented in accordance with OMB and Treasury published 59 data definition standards, as applicable, for DATA Act reporting in all material respects. We found that the FEC data submission substantially complied with the requirements for completeness, accuracy, timeliness, and quality. However, there is opportunity to improve collaboration and coordination with FEC's Federal Shared Service Provider (USDA) to ensure any errors or missing records are identified and corrected timely. To strengthen the accuracy and completeness with FEC's DATA Act reporting, we made two recommendations.

This report is for the purpose of concluding on the audit objectives described above. Accordingly, this report is not suitable for any other purpose.

This report is intended for the information and use of the FEC's management, OIG and the U.S. Congress, and is made available to the public.

**Federal Election Commission  
Independent Auditor’s Report on the Compliance with the  
Digital Accountability and Transparency Act of 2014 Submission Requirements  
for Fiscal Year 2021**

**TABLE OF CONTENTS**

I. Background.....	1
II. Overall Audit Results.....	2
III. Statistical Results.....	2
IV. Data Standards.....	3
V. Non-Statistical Results.....	3
VI. Other Report Content.....	4
VII. Status of Prior Period Findings and Recommendations.....	5
VIII. Notice of Finding and Recommendations.....	6
IX. Status of Prior Period Recommendations.....	10
X. Auditor’s Comment to Management Response.....	10
Appendix I – Objective, Scope and Methodology.....	11
Appendix II – FY 2021 FEC DATA Act Q1 Quality Scorecard.....	13
Appendix III – FY 2021 FEC Computation of the Error Rates.....	14
Appendix IV – FY 2021 FEC Data Element Analysis.....	15
Appendix V – FY 2021 and FY 2019 FEC Comparative Results Table.....	17
Appendix VI – CIGIE’s DATA Act Anomaly Letter.....	19
Appendix VII – Management’s Response.....	21
Appendix VIII – Glossary of Abbreviations and Acronyms.....	23



**Federal Election Commission  
Independent Auditor's Report on the Compliance with the  
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for Fiscal Year 2021**

**I. Background**

*Federal Election Commission*

The Federal Election Commission (FEC) administers and enforces federal campaign finance law. Established in 1974, opened in 1975, the mission of the FEC is to protect the integrity of the federal campaign finance process by providing transparency and fairly enforcing and administering federal campaign finance laws. The FEC ensures disclosure requirements are met for political funding efforts.

The FEC is required to comply with the Accountability of Tax Dollars Act of 2002 (ATD Act) to have its financial statements audited annually, and the Digital Accountability and Transparency Act of 2014 (DATA Act) for FY 2017, 2019 and 2021 to improve the ability of Americans to track and understand government spending. The FEC Office of Inspector General (OIG) has oversight and reporting requirements that are mandated by these government-wide Acts.

There are three systems used by FEC for DATA Act reporting:

- Comprizon. Buy a procurement management system for processing awards;
- Federal Procurement Data System – Next Generation (FPDS-NG) a federal procurement data system for reporting procurement awards; and
- Pegasys a Financial Management System managed by the United States Department of Agriculture (USDA) which is the FEC's Federal Shared Service Provider (FSSP).

The FSSP is responsible for compiling and uploading the DATA Act Files A-C to the DATA Act Broker. File D1 is generated from the DATA Act Broker (DAB) using data extracted from the FPDS-NG. Per the FEC's data quality plan (DQP), the FEC follows a risk-based approach in reviewing the processes used to compile the data and assess the existence of risks.

*The DATA Act*

The Digital Accountability and Transparency Act of 2014 (DATA Act) was enacted May 9, 2014, to expand the reporting requirements pursuant to Federal Funding Accountability and Transparency Act of 2006 (FFATA)<sup>1</sup>. The DATA Act, in part, requires that Federal agencies report financial and payment data for publication on USAspending.gov in accordance with Governmentwide financial data standards established by the U.S. Treasury and the Office of Management and Budget. The DATA Act also requires the Office of Inspector General of each Federal agency to report on its agency's DATA Act submission and compliance in the form of three reviews. Subsequently, and in accordance with the DATA Act, Treasury began displaying federal agencies' data on USAspending.gov for taxpayers and policymakers in May 2017.

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<sup>1</sup> Public Law 113-101 (May 9, 2014)

In April 2020, Office of Management and Budget (OMB) issued M-20-21, *Implementation Guidance for Supplemental Funding Provided in Response to the Coronavirus Disease 2019 (COVID-19)*, which made changes to DATA Act reporting. Since the FEC did not receive COVID-19 relief funds, we did not perform testing of COVID-19 relief funds data elements and outlays.

The Office of Inspector General (OIG) contracted with Brown & Company CPAs and Management Consultants, PLLC (Brown & Company), an independent certified public accounting firm, to conduct this performance audit to assess FEC's compliance under the DATA Act. The audit objective, scope, and methodology are presented in Appendix I.

## **II. Overall Audit Results**

We found that the FEC implemented and used the governmentwide financial data standards as established by OMB and Treasury, as applicable, and that the required data elements were presented in accordance with the standards. We would also like to acknowledge the significant improvement in FEC's internal controls around the monthly reconciliation and certification process. The applicable controls implemented resulted in reductions in error rates related to detailed award level data elements.

### Overall Determination of Quality

Based on the results of our statistical and non-statistical testing for the FEC's DATA Act audit for FY 2021 Q1, the FEC scored 90.15 points out of a 100, which is a quality rating of Higher. The FY 2021 FEC DATA Act Q1 Quality Scorecard is presented in Appendix II.

## **III. Statistical Results**

### Data Element Analysis and Results of detailed award level testing

The Data Element Analysis results from our detailed award level testing are presented below and listed in Appendix III - FY 2021 FEC Computation of the Error Rates and Appendix IV - FY 2021 FEC Data Element Analysis.

Selections for detailed award level testing was taken from File D1 as File C was deemed not suitable for testing and the FEC does not issue grants and thus File D2 is not applicable. As there were only 22 records reported in FEC's FY 2021 Q1 File D1, 100% of the population was tested. As a result, statistical sampling was not used and results reported below will be based on actual error rates instead of projected error rates. The audit results are substantially consistent with the risks identified in the FEC's DQP. We also like to note that all errors identified were either attributed to third party errors or based on the four PIIDs missing from File C.

### Completeness of the Data – Actual Error Rate

The actual error rate for the completeness of the data elements is 3.80%. A data element was considered complete if the required data element that should have been reported was reported.

### Accuracy of the Data – Actual Error Rate

The actual error rate for the accuracy of the data elements is 3.80%. 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 originating award documentation/contract file. The auditor issued a "Notice of Finding and Recommendation" to address the accuracy of the data.

#### Timeliness of the Data - Actual Error Rate

The actual error rate for the timeliness of the data elements 3.80%. The timeliness of data elements was based on the reporting schedules defined by the financial, procurement, and financial assistance requirements (FFATA, FAR, FPDS-NG, FABS, and DAIMS).

### **IV. Data Standards**

#### Implementation and Use of the Data Standards

We have evaluated the FEC's implementation of the government-wide financial data standards for award and spending information and determined the FEC is using the standards as defined by OMB and Treasury.

The FEC linked by common identifiers (e.g., PIID, FAIN), all of the data elements in the FEC's procurement, and financial, as applicable. For the Treasury's DATA Act Broker files tested, we generally found that the required elements were present in the file and that the record values were presented in accordance with the standards.

### **V. Non-Statistical Results**

#### Completeness of the Agency DATA Act Submission

We evaluated the FEC's DATA Act submissions to Treasury's DATA Act Broker and determined that the submissions were complete with the exception of File C (for more details see Results of Linkages from File C to Files B, and D1). 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.

#### Timeliness of the Agency DATA Act Submission

We evaluated the FEC's FY 2021 Q1 DATA Act submission to Treasury's DATA Act Broker and determined that the submission was timely. To be considered timely, it had to be submitted and certified within 45 days of quarter end.

#### Completeness of Summary-Level Data for Files A and B

We performed summary-level data reconciliations and linkages for Files A and B and did not identify any variances. The test results verified: (1) summary-level data from File A matched the Agency's GTAS SF-133; (2) the totals and Treasury Account Symbols (TAS) identified in File A matched File B; and (3) all object class codes from File B match codes defined in Section 83 of OMB Circular No. A-11.

#### Results of Linkages from File C to Files B and D1

We tested the linkages between File C to File B by TAS, object class, and program activity, the linkages between File C to File D1 by both the PIID and Parent Award ID. All of the TAS, object class, and program activity data elements from File C existed in File B. However, 36 records included in File C did not exist in File D1; and four records included in File D1 did not exist in File C. As a result of File C not reconciling to File D1, we determined that File C was not suitable for testing. For more information, see Section VIII. "Notice of Finding and Recommendations" that address the suitability and accuracy of File C.

#### Analysis of the Accuracy of Dollar Value-related Data Elements

The following table displays the results of the accuracy of the data elements that are associated with a dollar value. The absolute value of errors by data element are not projected to the population.

**Accuracy of Dollar-Value Related Data Elements**

PIID/FAIN	Data Element	Accurate	Not Accurate	Not Applicable	Total Tested	Error Rate	Absolute Value of Errors
PIID	13 Federal Action Obligation	22	0	0	22	0%	
PIID	53 Obligation	16	4	2	22	20%	\$35,657.89
<b>Total</b>		<b>38</b>	<b>4</b>	<b>2</b>	<b>44</b>		

Analysis of Errors in Data Elements Not Attributable to the Agency

The following table displays the results of errors in data elements that were not attributable to the FEC.

**Errors in DATA Elements not Attributable to the Agency**

PIID/FAIN	Data Element	Number of Exceptions	Attributed to
PIID	4 Ultimate Parent Legal Entity Name	1	Based on SAM Input
PIID	6 Legal Entity Congressional District	10	Third Party
<b>Total</b>		<b>11</b>	

File C COVID-19 Outlay Testing and Results

The Federal Government’s response to the COVID-19 pandemic included an economic relief package and new reporting requirements for agencies that received COVID-19 funds. Effective for the June 2020 reporting period, agencies with COVID-19 relief funding must submit DATA Act Files A and B on a monthly basis. We reviewed Files A and B and determined that the FEC did not receive or report any COVID-19 relief funding for FY 2021.

**VI. Other Report Content**

*Assessment of Internal Controls*

The FEC’s management is responsible for the compliance of the FY 2021 Q1 financial and award data submissions in accordance with the DATA Act and submission standards developed by the Treasury and the OMB.

We assessed internal controls and compliance with laws and regulations in accordance with *Government Auditing Standards: 2018 Revision Technical Update April 2021* (GAO-21-368G – Technical Updates) necessary to satisfy the audit objectives. We assessed the internal control components and their related principles outlined in the Government Accountability Office (GAO), *Standards for Internal Controls in the Federal Government September 2014* (Green Book, GAO-14-704G *Federal Internal Control Standards*) that we deemed significant. The following internal control components and related principles were deemed significant to our audit objectives:

1. Control Environment - Principles: 3) establish an organization structure, assign responsibility and delegate authority to achieve the entity’s objectives.
2. Risk Assessment - Principles: 6) define objectives clearly to enable the identification of risks and define risk tolerance; 7) identify, analyze, and respond to risks; and 8) consider the potential for fraud when identifying, analyzing and responding to risks.

3. Control Activities - Principles: 11) design the entity's information system and related control activities to achieve objectives and respond to risks; and 12) implement control activities through policies.
4. Information and Communication - Principles: 13) use quality information to achieve the entity's objectives; and 15) externally communicate the necessary quality information to achieve the entity's objectives.
5. Monitoring - Principles: 16) establish and operate monitoring activities to monitor the internal control system and evaluate the results; and 17) remediate identified internal control deficiencies on a timely basis

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

We determined that the FEC internal and information system controls as it relates to the extraction of data from the source systems and the reporting of data to the DATA Act Broker have been properly designed and implemented and are operating effectively. However, we were unable to determine the effectiveness of internal controls related to the FSSP to ensure potential errors are identified and corrected timely.

#### ***DATA Act Date Anomaly***

The Council of the Inspectors General on Integrity and Efficiency (CIGIE) identified a timing anomaly with the oversight requirements contained in the Digital Accountability and Transparency Act of 2014. That is, the first Inspector General (IG) reports were due to Congress on November 2016; however, Federal agencies were not required to report spending data until May 2017. To address this reporting date anomaly, the IGs provided Congress with their first required reports by November 8, 2017, 1-year after the statutory due date, with two subsequent reports to be submitted following on a 2-year cycle. This is the third and final report required under the DATA Act. On December 22, 2015, CIGIE's chair issued a letter detailing the strategy for dealing with the IG reporting date anomaly and communicated the strategy to the Senate Committee on Homeland Security and Governmental Affairs and the House Committee on Oversight and Government Reform. See Appendix VI for the letter.

#### ***Testing Limitations for Files E and F***

File E of the DATA Act Information Model Schema contains additional awardee attribute information the Treasury DATA Act Broker software extracts from the System for Award Management (SAM). File F contains sub-award attribute information the broker software extracts from the FFATA Subaward Reporting System (FSRS). Files E and F data remain the responsibility of the awardee in accordance with terms and conditions of Federal agreements, and the quality of these data remains the legal responsibility of the recipient. Therefore, agency senior accountable officials (SAO) are not responsible for certifying the quality of File E and F data reported by awardees, but they are responsible for assuring controls are in place to verify that financial assistance awardees register in SAM at the time of the award. As such, we did not assess the completeness, accuracy, timeliness, and quality of the data extracted from SAM and FSRS via the Treasury broker software system.

## **VII. Status of Prior Period Findings and Recommendations**

There were no open recommendations from prior DATA Act audit reports.

## VIII. Notice of Finding and Recommendations

### FEC DATA Act Notification of Finding and Recommendations

**Finding: Federal Election Commission (FEC) FY 2021 Q1 File C submission was not complete, accurate, and did not include all transactions and linkages.**

#### Condition:

During our testing of the FEC Record-Level Linkages between Files C and D1, we determined that FY 2021 Q1 File C submission is not complete or suitable for detailed testing due to the following:

- 36 records in File C did not link to File D1. These were not obligations and thus should not have been reported in File C (See Table 1 for detail of errors).
- 4 records in File D1 were not recorded in File C (See Table 4 for detail of errors).
- 13 interagency agreements (IAAs) were reported in File C. Based on the type of IAA's the FEC has these transactions should not be reported in File C (See Tables 2 & 5 for detail of errors).

The FEC has a process to periodically review DATA Act Broker warning reports and performs monthly reconciliations between File C and File D1 to identify and research potential errors and to determine if corrections are needed. During this process, the FEC DATA Act program team identified these potential errors and communicated to the Federal Share Service Provider (FSSP) for correction. However, the discrepancies between File C and D1 were not corrected timely.

The difference between Files C and D1 are presented below.

**Table 1 - Difference between Files C and D1**

DATA Act File	Amount
File C-Total Obligation Amount that should not have been reported in File C	\$1,819,157.51
File D1-Federal Action Obligation that should have been included in File C	35,657.89
Variance between File C and File D1	\$1,783,499.62

\*The total obligation amount not reported in File C includes the 30 PIIDs \$1,819,157.51 and the 6 PIIDs totaling \$35,657.89 that should be included in File C.

**Table 2 - File C Errors**

PIID Number	Error-Records recorded in File C and not in D1.	Amount	Attributed to
9531BP17F0050	1	\$107,313.20	Error attributable to the FSSP and the FEC
9531BP18C0004	1	10,000.00	Error attributable to the FSSP and the FEC
9531BP18F0007	1	5,726.97.00	Error attributable to the FSSP and the FEC
9531BP18F0015	1	194,312.32	Error attributable to the FSSP and the FEC
9531BP18F0019	1	114,203.75	Error attributable to the FSSP and the FEC
9531BP18F5006	1	17,164.31	Error attributable to the FSSP and the FEC
9531BP18F5007	1	54,423.00	Error attributable to the FSSP and the FEC

PIID Number	Error-Records recorded in File C and not in D1.	Amount	Attributed to
9531BP18G0002	1	53,014.84	Error attributable to the FSSP and the FEC
9531BP18P0014	1	5,625.00	Error attributable to the FSSP and the FEC
9531BP19F5029	1	22,453.60	Error attributable to the FSSP and the FEC
9531BP19F5031	1	11,210.37	Error attributable to the FSSP and the FEC
9531BP19F5033	1	33,642.11	Error attributable to the FSSP and the FEC
9531BP19F5047	2	10,512.87	Error attributable to the FSSP and the FEC
9531BP19F5059	1	29,875.95	Error attributable to the FSSP and the FEC
9531BP19H0030	1	152,750.00	Error attributable to the FSSP and the FEC
9531BP19P0034	1	28,647.75	Error attributable to the FSSP and the FEC
9531BP20A0007	1	7,040.00	Error attributable to the FSSP and the FEC
9531BP20F0012	1	34,311.00	Error attributable to the FSSP and the FEC
9531BP20F0019	1	7,172.00	Error attributable to the FSSP and the FEC
9531BP20F0033	1	181,570.08	Error attributable to the FSSP and the FEC
9531BP20F0037	1	90,079.59	Error attributable to the FSSP and the FEC
9531BP20F0041	1	16,086.00	Error attributable to the FSSP and the FEC
9531BP20F0042	1	16,559.03	Error attributable to the FSSP and the FEC
9531BP20G0003	6	62,274.71	Error attributable to the FSSP and the FEC
9531BP20H0016	1	14,432.41	Error attributable to the FSSP and the FEC
9531BP20P0005	1	41,76.00	Error attributable to the FSSP and the FEC
9531BP20P0029	1	5,547.37	Error attributable to the FSSP and the FEC
9531BP21F0004	1	31,222.56	Error attributable to the FSSP and the FEC
9531BP21L0002	1	421,175.94	Error attributable to the FSSP and the FEC
<b>Total</b>	<b>36</b>	<b>\$1,819,157.51</b>	

*\*There are 30 unique PIID Identifiers with 6 additional modifications for samples #13 and #25*

**Table 3 - File C Errors**

Sample Number	PIID Number	Error-Records recorded in File D1 and not recorded in File C	Amount	Attributed to
1	9531BP21P0004	1	\$13,442.50	Error attributable to the FSSP and the FEC
2	9531BP21F0005	1	16,872.96	Error attributable to the FSSP and the FEC
3	FE16G057	1	510.43	Error attributable to the FSSP and the FEC
4	FE9531BP17F0001	1	4,832	Error attributable to the FSSP and the FEC
	<b>Total</b>	<b>4</b>	<b>\$35,657.89</b>	

**Table 4 - Difference with IAAs removed from File C**

DATA Act File	Amount
File C-Total Obligation Amount	\$1,465,532.44
File C - Total Obligation related to IAAs	411,247.83
<b>File C Gross Total</b>	<b>\$1,054,284.61</b>

\*The Total Obligation amount includes all transactions from October 1, 2020 - December 31, 2020 in the amount of \$1,465,532.44. The Total Obligation amount related to IAAs is \$411,247.83 this amount is subtracted from the total obligation amount due to reconciling items removed from File C.

**Table 5 - File C IAAs**

PIID Number	IAAs recorded in File C	Amount	Attributed to
<b>9531BP21L0002</b>	1	\$ 421,175.94	Error attributable to the FSSP
<b>9531BP20H0016</b>	1	14,432.41	Error attributable to the FSSP
<b>9531BP21H0014</b>	1	289.19	Error attributable to the FSSP
<b>9531BP21H0003</b>	1	151.00	Error attributable to the FSSP
<b>9531BP20H0030</b>	1	3295.57	Error attributable to the FSSP
<b>9531BP20H0027</b>	1	21.50	Error attributable to the FSSP
<b>9531BP20H0019</b>	1	2435.50	Error attributable to the FSSP
<b>9531BP20H0015</b>	1	200.00	Error attributable to the FSSP
<b>9531BP20H0009</b>	1	151.00	Error attributable to the FSSP
<b>9531BP20H0005</b>	1	282.19	Error attributable to the FSSP
<b>9531BP21H0019</b>	1	(411.00)	Error attributable to the FSSP
<b>9531BP21H0020</b>	1	(442.15)	Error attributable to the FSSP
<b>9531BP21H0015</b>	1	(30,333.32)	Error attributable to the FSSP
<b>Total</b>	<b>13</b>	<b>\$411,247.83</b>	

**Criteria:**

*Digital Accountability and Transparency Act of 2014 Section 2 states the purposes of this Act are to (4) improve the quality of data submitted to USApending.gov by holding Federal agencies accountable for the completeness and accuracy of the data submitted.*

*Council of the Inspectors General on Integrity and Efficiency (CIGIE) Federal Audit Executive Council (FAEC), Inspectors General Guide to Compliance under the DATA Act December 4, 2020, defines Accuracy for the DATA Act as:*

“Amounts and other data relating to recorded transactions have been recorded in accordance with the DAIMS, Reporting Submission Specification (RSS), Interface Definition Document (IDD), and the online data dictionary, and agree with the authoritative source records.”

## **Cause:**

There are several causes which include:

- The 36 records included in File C and not in File D1 were initially correctly recorded in File C as outlays (non-TOA transactions). As this was the first-time outlays have been reported in the FEC's File C, the FEC DATA Act Team did not recognize these transactions and thus notified the FSSP that these were "foreign" transactions that should be removed. The FSSP attempted to remove the transactions from File C, however, the transactions also subsequently appeared in File C as obligations (TOA records) in error. FEC did not receive Cares Act Funds and were not aware that outlays would be reported in File C. As a result, the miscommunication also contributed to these errors.
- The FEC used an internal management system (Comprizon) to initiate, manage and approve awards, which is also used to transmit award data to FPDS-NG which in turns generates File D1. This award management system is not integrated with the FSSP financial management system (Pegasys) which generates File C. Therefore, procurement award data must be manually submitted and processed in the financial management system by the FSSP. Also, corrections were not completed in a timely manner by the FSSP.
- The FSSP process on how IAAs are supposed to be reported in File C did not align with the FEC's expectation.

## **Effect:**

Financial and award data that is not complete, accurate and timely in USAspending.gov decreases the reliability and usefulness of the data.

## **Recommendation 1:**

We recommend the FEC DATA Act program team coordinate with the FSSP to correct errors identified in DATA Act File C submission, as well as to come to a mutual agreement how IAAs should be reported.

## **Recommendation 2:**

We recommend that the FEC's SAO and FSSP SAO collaborate to ensure going forward, adequate time is provided to identify and correct errors prior to the final DATA Act submission due dates.

## **Management Response:**

In response to Recommendation 1 and 2, FEC's Management stated "while management supports efforts to improve data quality, it does not agree with these recommendations." Management stated that it has "already worked with the FSSP to accomplish positive results by, for example, identifying Interagency Agreements that should not be included in File C. We hope subsequent quarter reflects these efforts."

Management stated that "management see the 36 outlays records incorrectly recorded as obligations as primarily a system issue in the DATA Act files maintained by the FSSP. Without full ability to modify the system, it may be difficult to achieve the desired results."

See Appendix VII – Management's Response for the complete response, and Section X below for auditor's comment to management response.

## **IX. Status of Prior Period Recommendations**

There were no open recommendations from prior FEC DATA Act audit reports.

## **X. Auditor's Comment to Management Response**

The FSSP performs a significant role with FEC to improve the completeness and accuracy of the DATA Act data submitted. Therefore, FEC should continue its efforts with the FSSP to correct File C data.

Based on the follow-up work performed related to the errors identified above as well as the OIG's communications with both Management and the FSSP, we stand by our conclusions and Recommendations 1 and 2 herein.

In order to ensure these types of errors are prevented and/or rectified going forward, it will require a group effort and a mutual agreement between the FEC and the FSSP. Although we understand that the FEC does not have access to the financial system that generates File C, per the DATA Act each agency is ultimately responsible for the accuracy of the data displayed on USAspending.gov. We hope that this audit will result in meaningful collaboration and corrective actions between the two parties.

In addition, we would like to address management's response related to the 36 records (outlays) which we do not believe is totally accurate. Per the DAIMs, the data element for outlays has always been one of the 57 standard data elements. However, prior to FY 2021 Q1 this was an optional data element. Beginning in FY 2021 Q1, outlays are required for agencies who received Cares Act Funds, and will be required for all other agencies beginning FY 2022 Q2. Although outlays reporting was not required for the FEC in FY 2021 Q1, the FSSP began to report outlays for all their clients. It appears that FEC management was not aware that the FSSP planned to begin reporting outlays in their File C. Therefore, the FEC did not recognize these records as outlays and because outlays are not reported in File D1, they could not reconcile these records to File C. As a result, the FEC communicated to the FSSP that these records (outlays) were identified as potential errors and requested that they be removed. The audit team was not able to determine what actually happened after that. However, when we pulled File C from the Broker, these 36 records ended up also being reported in the FEC's File C transmission as obligations which is in error.



Greenbelt, Maryland  
November 5, 2021

## Appendix I – Objective, Scope and Methodology

### Objective

The objective of this performance audit was to assess the FEC compliance under the DATA Act with respect to:

- The completeness accuracy, timeliness, and quality of FY 2021 Q1 financial and award data submitted to the Treasury for publication on USAspending.gov, and
- The FEC’s implementation and use of the Government-wide financial data standards established by the OMB and Treasury.

### Scope

The scope of this engagement is FEC’s FY 2021 Q1 financial and award data submitted for publication on USAspending.gov.

The scope includes examining DATA Act information reported in FEC’s FY 2021 Q1 financial and award data files listed below, as applicable:

- File A: Appropriations Account
- File B: Object Class and Program Activity
- File C: Award Financial
- File D1: Award (Procurement)
- File E: Additional Awardee Attributes
- File F: Sub-award Attributes

Files A, B, and C are submitted by FEC’s Federal Shared Service Provider. Files A and B are summary-level financial data. File C is reportable award-level data. Files D1 through F contain detailed demographic information for award-level records reported in File C. Files D1 through F are submitted by external award reporting systems to Treasury’s DATA Act Broker. The senior accountable official for FEC is required to certify the applicable data files for its agency’s financial and award data to be published on USAspending.gov. FEC did not have any required reporting data for Files D2-F.

### Methodology

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Our audit was performed in accordance with the relevant DATA Act guidance and policies issued by GAO, OMB, and CIGIE, including the CIGIE FAEC *Inspectors General Guide to Compliance under the DATA Act*, dated December 4, 2020. We conducted our fieldwork from May1, 2021 through September 24, 2021.

To accomplish our objectives, we:

- obtained an understanding of any regulatory criteria related to FEC’s responsibilities to report financial and award data under the DATA Act;
- 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;
- assessed internal controls over financial reporting for the DATA Act;

- reviewed and reconciled the FY 2021 Q1 summary-level data submitted by FEC for publication on USAspending.gov.
- assessed FEC's implementation and use of the 59 data elements/standards established by OMB and Treasury; and
- assessed the completeness, timeliness, accuracy, and quality of the financial and award data sampled; this included testing FEC's submission of Files A through D1.

To test FEC's DATA Act submission of Files A through D1, we:

- reviewed FEC's certification and submission process;
- determined the timeliness of FEC's submission;
- determined completeness of summary level data for Files A and B;
- determined whether File C is complete and suitable for sampling;
- selected and examined the entire population of 22 total records in FEC's FY 2021 Q1 certified spending data reported in File C;
- tested detailed record-level linkages for Files C and D1; and
- tested detailed record-level data elements for Files C and D1 for completeness, accuracy, timeliness, and quality; and analyzed results.

We tested the total population of 22 records from File D1. The testing was designed to ensure each of the required 59 data elements that should have been reported was reported in the appropriate Files A through D1.

In relation to the Federal Shared Service Provider (FSSP), we:

- Assessed FEC's DATA Act reporting roles and responsibilities as documented in their service agreement with the FSSP.
- Determined whether any findings could have a significant impact on the FEC's DATA Act submission.
- Identified corrective actions implemented by the FSSP to address reported deficiencies, if any.
- Determined whether the FSSP SAO and the FEC SAO are coordinating and communicating to ensure that:
  - FSSP has identified and resolved areas of concern brought to their attention by FEC and their IGs based on the prior DATA Act audits/submissions, if any.
  - FSSP continues to engage FEC to collaborate and address potential changes/updates to reporting requirements and DAIMS.
  - FSSP and FEC are tracking FSSP statuses for the need to upgrade systems, and/or implement new processes to comply with updated DATA Act requirements and ensure these responsibilities are reflected in their service agreements.
  - FSSP and FEC have established reporting responsibilities for FSSPs and their customers, and that the DATA Act reporting roles and responsibilities for financial, procurement, and grants, are being established and documented in their service agreement.
  - FSSP, in coordination with FEC are continuing to determine applicable data elements and identify gaps and issues (if applicable).
- Reviewed the most recent FSSP SOC report for control deficiencies related to DATA Act submissions.

## Appendix II – FY 2021 FEC DATA Act Q1 Quality Scorecard

FEC’s quality of data is defined as data that is complete, accurate, and timely, and includes statistical and non-statistical testing results. The quality scorecard calculates the quality based on weighted scores of both statistical sampling results and non-statistical testing results. For the quality scorecard, statistical testing results are valued at 60 points and non-statistical testing results are valued at 40 points, for a total of 100 points. We combined the results of the statistical sample with the results on the non-statistical testing in the below quality scorecard. The overall quality score is Higher at 90.15%.

Federal Election Commission (FEC)			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	5.0	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	10.8	13.0	10.0			
	Record-Level Linkages (Files C & D1/D2)	3.6	9.0	7.0			
	COVID-19 Outlay Testing Non-Statistical Sample	No COVID-19 Funding	0.0	0.0	8.0		
Statistical	Completeness	14.4	15.0	15.0	0.0	69.9	Lower
	Accuracy	28.9	30.0	30.0	70.0	84.9	Moderate
	Timeliness	14.4	15.0	15.0	85.0	94.9	Higher
Quality Score	Higher	90.15333333	100.0	100.0	95.0	100	Excellent

### Appendix III – FY 2021 FEC Computation of the Error Rates

The following table displays the results for errors in data elements by sample record for completeness, accuracy, and timeliness. For each sample record, we tested the applicable data elements, documented the number of errors and computed the error rates (number of errors divided by total number DEs). We computed the total errors and the average error rates: 3.80% incomplete 3.80% inaccurate, and 3.80% untimely.

<b>Results of PIID and FAIN Statistical Sample Testing</b>							
<b>Sample Record Number</b>	<b>Total Number DEs</b>	<b>Number Incomplete</b>		<b>Number Inaccurate</b>		<b>Number Untimely</b>	
1	47	0	0.00%	0	0.00%	0	0.00%
2	45	1	2.22%	1	2.22%	1	2.22%
3	39	1	2.56%	1	2.56%	1	2.56%
4	46	0	0.00%	0	0.00%	0	0.00%
5	39	1	2.56%	1	2.56%	1	2.56%
6	46	0	0.00%	0	0.00%	0	0.00%
7	47	8	17.02%	8	17.02%	8	17.02%
8	44	0	0.00%	0	0.00%	0	0.00%
9	45	0	0.00%	0	0.00%	0	0.00%
10	44	6	13.64%	6	13.64%	6	13.64%
11	46	0	0.00%	0	0.00%	0	0.00%
12	45	0	0.00%	0	0.00%	0	0.00%
13	47	1	2.13%	1	2.13%	1	2.13%
14	46	0	0.00%	0	0.00%	0	0.00%
15	47	0	0.00%	0	0.00%	0	0.00%
16	46	7	15.22%	7	15.22%	7	15.22%
17	47	7	14.89%	7	14.89%	7	14.89%
18	46	1	2.17%	1	2.17%	1	2.17%
19	44	1	2.27%	1	2.27%	1	2.27%
20	47	1	2.13%	1	2.13%	1	2.13%
21	44	2	4.55%	2	4.55%	2	4.55%
22	47	1	2.13%	1	2.13%	1	2.13%
<b>Total Errors</b>		<b>38</b>		<b>38</b>		<b>38</b>	
<b>Error Rate</b>		<b>3.80%</b>		<b>3.80%</b>		<b>3.80%</b>	

## Appendix IV – FY 2021 FEC Data Element Analysis

This FY 2021 FEC Data Element Analysis depicts our test results and the associated error rates by data element, as applicable. The analysis includes the results for completeness, accuracy and timeliness in descending order by accuracy error rate percentage (non-projected)<sup>2</sup>.

DAIMS Element No.	Data Element Name	A Accuracy	C Completeness	T Timeliness
6	Legal Entity Congressional District	45%	45%	45%
34	Award ID Number (PIID/FAIN)	20%	20%	20%
50	Object Class	20%	20%	20%
51	Appropriations Account	20%	20%	20%
53	Obligation	20%	20%	20%
56	Program Activity	20%	20%	20%
430	Disaster Emergency Fund Code (No. 59)	20%	20%	20%
24	Parent Award ID Number	15%	15%	15%
4	Ultimate Parent Legal Entity Name	5%	5%	5%
1	Awardee/Recipient Legal Entity Name	0%	0%	0%
2	Awardee/Recipient Unique Identifier	0%	0%	0%
3	Ultimate Parent Unique Identifier	0%	0%	0%
5	Legal Entity Address	0%	0%	0%
7	Legal Entity Country Code	0%	0%	0%
8	Legal Entity Country Name	0%	0%	0%
11	Amount of Award	0%	0%	0%
12	Non-Federal Funding Amount	0%	0%	0%
13	Federal Action Obligation	0%	0%	0%
14	Current Total Value of Award	0%	0%	0%
15	Potential Total Value of Award	0%	0%	0%
16	Award Type	0%	0%	0%
17	NAICS Code	0%	0%	0%
18	NAICS Description	0%	0%	0%
22	Award Description	0%	0%	0%
23	Award Modification / Amendment Number	0%	0%	0%
25	Action Date	0%	0%	0%
26	Period of Performance Start Date	0%	0%	0%

<sup>2</sup> For each data element, we divided the number of exceptions by the total sample count for the relevant files to obtain the percentage error rate for that data element.

<b>DAIMS Element No.</b>	<b>Data Element Name</b>	<b>A Accuracy</b>	<b>C Completeness</b>	<b>T Timeliness</b>
27	Period of Performance Current End Date	0%	0%	0%
28	Period of Performance Potential End Date	0%	0%	0%
29	Ordering Period End Date	0%	0%	0%
30	Primary Place of Performance Address	0%	0%	0%
31	Primary Place of Performance Congressional District	0%	0%	0%
32	Primary Place of Performance Country Code	0%	0%	0%
33	Primary Place of Performance Country Name	0%	0%	0%
36	Action Type	0%	0%	0%
38	Funding Agency Name	0%	0%	0%
39	Funding Agency Code	0%	0%	0%
40	Funding Sub Tier Agency Name	0%	0%	0%
41	Funding Sub Tier Agency Code	0%	0%	0%
42	Funding Office Name	0%	0%	0%
43	Funding Office Code	0%	0%	0%
44	Awarding Agency Name	0%	0%	0%
45	Awarding Agency Code	0%	0%	0%
46	Awarding Sub Tier Agency Name	0%	0%	0%
47	Awarding Sub Tier Agency Code	0%	0%	0%
48	Awarding Office Name	0%	0%	0%
49	Awarding Office Code	0%	0%	0%
51	Appropriations Account	0%	0%	0%
163	National Interest Action (No. 58)	0%	0%	0%
19	Catalog of Federal Domestic Assistance (CFDA) Number	N/A	N/A	N/A
20	Catalog of Federal Domestic Assistance (CFDA) Title	N/A	N/A	N/A
35	Record Type	N/A	N/A	N/A
37	Business Types	N/A	N/A	N/A
54	Unobligated Balance	N/A	N/A	N/A
57	Outlay (Gross Outlay Amount By Award CPE)	N/A	N/A	N/A

## Appendix V – FY 2021 and FY 2019 FEC Comparative Results Table

This table below identifies the error rate by data element from the FY 2021 and FY 2019 audit results. The information is being provided for illustrative purposes only and may not necessarily be indicative of actual percent change based on differences in testing procedures such as population size, sample methodology, quarter tested, file tested, and changes to data definition standards.

### FEC Comparative Results for Data Elements Based on Accuracy Error Rates in Descending Order<sup>3</sup>

DAIMS Element No.	Data Element Name	2021 Error Rate A	2019 Error Rate A	% Change A
6	Legal Entity Congressional District	45%	0%	45%
34	Award ID Number (PIID/FAIN)	20%	0%	20%
50	Object Class	20%	38%	-18%
51	Appropriations account	20%	38%	-18%
53	Obligation	20%	38%	-18%
56	Program Activity	20%	38%	-18%
430	Disaster Emergency Fund Code (No. 59)	20%	N/A	0%
24	Parent Award ID Number	15%	12%	3%
4	Ultimate Parent Legal Entity Name	5%	0%	5%
1	Awardee/Recipient Legal Entity Name	0%	0%	0%
2	Awardee/Recipient Unique Identifier	0%	0%	0%
3	Ultimate Parent Unique Identifier	0%	12%	-12%
5	Legal Entity Address	0%	0%	0%
7	Legal Entity Country Code	0%	0%	0%
8	Legal Entity Country Name	0%	0%	0%
11	Amount of Award	0%	0%	0%
12	Non-Federal Funding Amount	0%	0%	0%
13	Federal Action Obligation	0%	0%	0%
14	Current Total Value of Award	0%	8%	-8%
15	Potential Total Value of Award	0%	19%	-19%
16	Award Type	0%	4%	-4%
17	NAICS Code	0%	0%	0%
18	NAICS Description	0%	0%	0%
22	Award Description	0%	0%	0%
23	Award Modification / Amendment Number	0%	0%	0%
25	Action Date	0%	0%	0%
26	Period of Performance Start Date	0%	4%	-4%
27	Period of Performance Current End Date	0%	12%	-12%

<sup>3</sup> For each FY and data element, we divided the number of exceptions by the total sample count for the relevant files to obtain the percentage error rate for that data element.

<b>DAIMS Element No.</b>	<b>Data Element Name</b>	<b>2021 Error Rate A</b>	<b>2019 Error Rate A</b>	<b>% Change A</b>
28	Period of Performance Potential End Date	0%	15%	-15%
29	Ordering Period End Date	0%	0%	0%
30	Primary Place of Performance Address	0%	4%	-4%
31	Primary Place of Performance Congressional District	0%	0%	0%
32	Primary Place of Performance Country Code	0%	0%	0%
33	Primary Place of Performance Country Name	0%	38%	-38%
36	Action Type	0%	0%	0%
38	Funding Agency Name	0%	0%	0%
39	Funding Agency Code	0%	0%	0%
40	Funding Sub Tier Agency Name	0%	0%	0%
41	Funding Sub Tier Agency Code	0%	0%	0%
42	Funding Office Name	0%	0%	0%
43	Funding Office Code	0%	0%	0%
44	Awarding Agency Name	0%	0%	0%
45	Awarding Agency Code	0%	0%	0%
46	Awarding Sub Tier Agency Name	0%	0%	0%
47	Awarding Sub Tier Agency Code	0%	0%	0%
48	Awarding Office Name	0%	0%	0%
49	Awarding Office Code	0%	0%	0%
51	Appropriations Account	0%	38%	-38%
163	National Interest Action (No. 58)	0%	N/A	0%
19	Catalog of Federal Domestic Assistance (CFDA) Number	N/A	N/A	N/A
20	Catalog of Federal Domestic Assistance (CFDA) Title	N/A	N/A	N/A
35	Record Type	N/A	N/A	N/A
37	Business Types	N/A	N/A	N/A
54	Unobligated Balance	N/A	N/A	N/A
57	Outlay (Gross Outlay Amount By Award CPE)	N/A	N/A	N/A

## Appendix VI – 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

Page 2

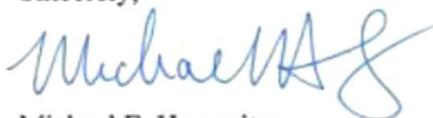
intent of the oversight provisions in the DATA Act and provide useful reports for the public, the Congress, the Executive Branch, and others.

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

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

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

Sincerely,



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

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

## Appendix VII – Management’s Response



### MEMORANDUM

TO: Christopher Skinner, Inspector General

FROM: John Quinlan, CFO   
Gilbert Forgy , Budget Director and Senior Accountable Official for the Digital  
Accountability and Transparency Act of 2014 (DATA Act)

DATE: November 1, 2021

SUBJECT: Management Response to Independent Auditor’s Report on the Compliance with  
the Digital Accountability and Transparency Act of 2014 Submission  
Requirements for Fiscal Year 2021

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Thank you for the Office of the Inspector General’s (OIG) review of FY 2021 first quarter information (October –December 2021) produced in accordance with the DATA Act. We are pleased that the controls that management put in place after the 2019 report led to marked improvements. For example, the error rates for completeness, timeliness and accuracy were reduced to 3.8 percent, leading to the classification of the data as higher quality. The files provided by the Federal Election Commission’s (FEC) accounting service provider also show improvements.

Below is management’s response to the recommendations contained in the report. We look forward to working with the OIG to identify activities to realize further improvements to the information provided under the DATA Act.

**NFR 2021-1: Finding: Federal Election Commission (FEC) FY 2021 first quarter Files C submission was not complete, accurate, and did not include all transactions and linkages.**

**Recommendation 1:** We recommend the FEC DATA Act program team coordinate with the FSSP to correct errors identified in DATA Act File C submission, as well as to come to a mutual agreement how IAAs should be reported.

**Recommendation 2:** We recommend that the FEC’s SAO and FSSP SAO collaborate to ensure going forward, adequate time is provided to identify and correct errors prior to the final DATA Act submission due dates.

While management supports efforts to improve data quality, it does not agree with these recommendations. Management largely supports collaboration with the Federal Shared Service Provider (FSSP) to improve DATA Act File C. We have already worked with the FSSP to accomplish positive results by, for example, identifying Interagency Agreements that should not be included in File C. We hope subsequent quarters reflect these efforts. Management, however, does not fully agree with the condition or the cause set forth in the finding, so it does not have confidence that collaboration beyond its current efforts will necessarily have the desired outcome of aligning File C records with File D1 (procurement award data).

For instance, management sees the 36 outlay records incorrectly recorded as obligations as primarily a system issue in the DATA Act files maintained by the FSSP. FEC did not receive CARES Act funding, and therefore was not required to report on outlays in Q1 of FY2021. Further, the D1 file does not include outlays, making a linkage between the two files difficult for comparison purposes. The FEC DATA Act team appropriately identified these items as not obligations and outside the scope of required data elements. Unfortunately, for reasons unknown to FEC, the system that produces the final File C included these records as obligations. Once this File C was presented to FEC, it faced a catch-22 to accept the files and include comments or risk all records, including correctly recorded transaction, not being considered timely and, more importantly, not presented on the USAspending.gov website for public review. Similarly, the four procurement actions included in the D1 file, but not in file C, are normally recorded in the financial system of record maintained by the FSSP after FEC sends an obligation transmittal. The system that produces the File C data, however, did not include these four entries. Without full ability to modify the system, it may be difficult to achieve the desired results.

## Appendix VIII – Glossary of Abbreviations and Acronyms

<b>CIGIE</b>	The Council of the Inspectors General on Integrity and Efficiency
<b>COVID-19</b>	Coronavirus Disease 2019
<b>DAIMS</b>	DATA Act Information Model Schema
<b>DATA Act</b>	The Digital Accountability and Transparency Act of 2014
<b>Data elements</b>	Data definition standards
<b>FABS</b>	Financial Assistance Broker Submission
<b>FAEC</b>	Federal Audit Executive Council
<b>FAIN</b>	Federal Award Identification Number
<b>FAR</b>	Federal Acquisition Regulations
<b>FEC</b>	Federal Election Commission
<b>FFATA</b>	Federal Funding Accountability and Transparency Act of 2006
<b>FPDS-NG</b>	Federal Procurement Data System - Next Generation
<b>FSRS</b>	Subaward Reporting Systems
<b>FSSP</b>	Federal Shared Services Provider
<b>FY</b>	Fiscal Year
<b>GAGAS</b>	Generally Accepted Government Auditing Standards
<b>GAO</b>	Government Accountability Office
<b>GTAS</b>	Government-wide Treasury Account Symbol Adjusted Trial Balance System
<b>IAA</b>	Interagency Agreements
<b>IDD</b>	Interface Definition Document
<b>IG</b>	Inspector General
<b>NAICS</b>	North American Industry Classification System
<b>OFF</b>	Oracle Federal Financial
<b>OIG</b>	Office of Inspector General
<b>OMB</b>	Office of Management and Budget
<b>OMB Circular No. A-11</b>	OMB Circular No. A-11, Preparation, Submission and Execution of the Budget
<b>PIID</b>	Procurement Instrument Identifier
<b>RSS</b>	Reporting Submission Specification
<b>SAM</b>	System for Award Management
<b>SAO</b>	Senior Accountable Official
<b>SF-133</b>	Standard Form - 133 Report on Budget Execution and Budgetary Resources
<b>SOC</b>	Service Organization Control
<b>TAS</b>	Treasury Account Symbols
<b>TOA</b>	Transaction Obligated Amount
<b>Treasury</b>	The United States Department of the Treasury
<b>URI</b>	Unique Record Identifier