

NASA

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Office of Audits

REVIEW OF NASA'S FISCAL YEAR 2019 DIGITAL ACCOUNTABILITY AND TRANSPARENCY ACT SUBMISSION

November 7, 2019

Report No. IG-20-004





Office of Inspector General

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RESULTS IN BRIEF

Review of NASA's Fiscal Year 2019 Digital Accountability and Transparency Act Submission

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WHY WE PERFORMED THIS AUDIT

The Digital Accountability and Transparency Act of 2014 (DATA Act) expands and improves oversight of federal spending, which in fiscal year (FY) 2018 totaled over \$4 trillion. To increase transparency, the DATA Act requires the Office of Management and Budget and the U.S. Department of the Treasury (Treasury) to establish government-wide data standards in pursuit of consistent, reliable, searchable data for any federal funds made available to, or expended by, federal agencies. Agencies are responsible for submitting complete and accurate financial and award data to USAspending.gov, a public website that tracks federal spending. To increase accountability, the DATA Act also requires that Inspectors General issue three reports (one every two years) on the completeness, accuracy, timeliness, and quality of agency data, and on each agency's implementation and use of the government-wide data standards.

In November 2017, we issued our first report, finding that NASA's FY 2017, second quarter submission was complete, timely, and properly used the DATA Act standards; however, we identified minor errors with the accuracy and quality of the data.

In this second audit, we assessed (1) the completeness, accuracy, timeliness, and overall quality of NASA's FY 2019, first quarter financial and award data totaling over \$4.2 billion and submitted to Treasury for publication on USAspending.gov; and (2) NASA's implementation and use of the data standards. We reviewed applicable laws and regulations; interviewed NASA personnel; and performed audit steps, sampling, and analysis according to guidance provided by the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

WHAT WE FOUND

Overall, we found that NASA's DATA Act submission was complete and timely. We also found that the Agency implemented and properly used the government-wide financial data standards.

In our detailed, record-level testing of a statistically valid sample of 385 transactions, we found that NASA's data met the CIGIE standard of "higher quality." This standard establishes that data should be considered "higher quality" if the highest overall error rate for three categories—timeliness, accuracy, and completeness—is 20 percent or below.

Despite this positive rating, we identified errors that affected the timeliness, accuracy, and completeness of NASA's financial and award data. Specifically, procurement information was not entered into source data systems in accordance with the timeline established by the Federal Acquisition Regulation (FAR). Additionally, we identified inaccuracies attributable to manual input errors. Finally, we identified errors in the completeness and accuracy of the data due to contracting officials not verifying procurement information in the Federal Procurement Data System-Next Generation (FPDS-NG). These errors increased the risk that untimely, inaccurate, and incomplete data would be uploaded to USAspending.gov, decreasing the reliability and usefulness of the data published on the public website.

WHAT WE RECOMMENDED

To improve the timeliness, accuracy, and completeness of NASA's DATA Act submissions, we recommended that the Assistant Administrator for Procurement (1) reinforce to contracting officers their responsibility to follow the FAR requirement to report procurement award data elements in FPDS-NG within three business days after contract award; (2) incorporate a procedure into the existing Verification and Validation process to verify that procurement data is entered into FPDS-NG within three business days after contract award; (3) correct the incomplete and inaccurate award data identified in this audit; and (4) instruct contracting officers how to complete data fields in FPDS-NG that require manual input, such as the *Current Total Value of Award* and *Potential Total Value of Award* fields, and instruct contracting officers to verify that the data in FPDS-NG is consistent with the latest information in the System for Award Management when executing an award action. We also recommended (5) that the Chief Financial Officer, working with the Senior Accountable Official, incorporate the results of this audit—as detailed in this report and specifically identified according to data elements in Appendixes B and C—when executing the Agency's Data Quality Plan and determining high risk control areas in FY 2020. In response to a draft of this report, NASA management concurred with our recommendations and described corrective actions they plan to take. We consider management's comments responsive; therefore, the recommendations are resolved and will be closed upon completion and verification of the proposed corrective actions.

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Acronyms

CIGIE	Council of the Inspectors General on Integrity and Efficiency
DATA Act	Digital Accountability and Transparency Act of 2014
FABS	Financial Assistance Broker Submission
FAEC	Federal Audit Executive Council
FAIN	Federal Award Identification Number
FAR	Federal Acquisition Regulation
FMFIA	Federal Managers' Financial Integrity Act of 1982
FPDS-NG	Federal Procurement Data System-Next Generation
FSRS	Federal Funding Accountability and Transparency Act Subaward Reporting System
FY	fiscal year
GTAS	Government-wide Treasury Account Symbol Adjusted Trial Balance System
OIG	Office of Inspector General
OMB	Office of Management and Budget
PIID	Procurement Instrument Identifier
SAM	System for Award Management
SAO	Senior Accountable Official
SAP	Systems, Applications, and Products
SF	Standard Form

INTRODUCTION

The Digital Accountability and Transparency Act of 2014 (DATA Act) was enacted to expand and improve oversight of federal spending, which in fiscal year (FY) 2018 totaled over \$4 trillion. To increase transparency, the DATA Act requires the Office of Management and Budget (OMB) and the U.S. Department of the Treasury (Treasury) to establish government-wide data standards that provide consistent, reliable, searchable data for any federal funds made available to, or expended by, federal agencies. Agencies are responsible for submitting complete and accurate financial and award data to USAspending.gov, a public website that tracks federal spending. To increase accountability, the DATA Act also requires that Inspectors General issue three reports (one every two years) on the completeness, accuracy, timeliness, and quality of agency data, and on each agency's implementation and use of government-wide data standards. In November 2017, we issued our first report that found NASA's FY 2017, second quarter submission was complete, timely, and properly used the DATA Act standards; however we identified minor errors with the accuracy and quality of the data.¹

In this second audit, we assessed (1) the completeness, accuracy, timeliness, and overall quality of NASA's FY 2019, first quarter financial and award data totaling over \$4.2 billion and submitted to Treasury for publication on USAspending.gov; and (2) NASA's implementation and use of the required data standards.² See Appendix A for details of the audit's scope and methodology.

Background

The DATA Act requires disclosure of federal agency expenditures and links spending information to program activities so that both policymakers and the public can more easily track federal spending. It also directs federal agencies to submit higher-quality data to USAspending.gov, holds agencies accountable for the completeness and accuracy of the data they submit, and requires that data comply with standards established by OMB and Treasury.

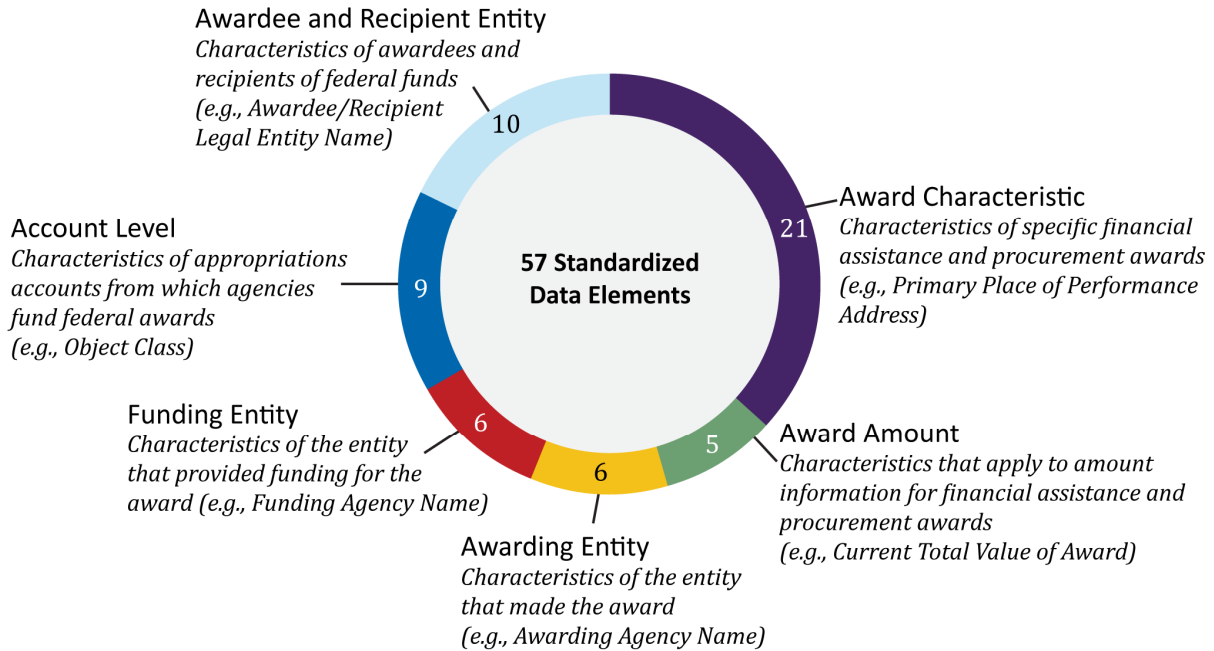
The OMB- and Treasury-established government-wide financial data standards are designed to ensure consistent, reliable, searchable spending data is uploaded to USAspending.gov. The data standards, or elements, are divided into six categories ranging from Awardee and Recipient Entity Data Standards such as an entity's legal name and address, to Award Characteristic Data Standards such as the type of award, period of performance start date, and primary place of performance.³ See Figure 1 for the standardized data element categories and Appendix B for a complete list of the elements.

¹ NASA Office of Inspector General (OIG), *NASA's Compliance with the Digital Accountability and Transparency Act of 2014* (IG-18-004, November 7, 2017).

² The Agency's FY 2019, first quarter submission included 8,676 transactions.

³ In this report, an entity is the awardee or recipient of federal funds and includes contractors and grantees.

Figure 1: Standardized Data Elements By Category



Source: NASA OIG depiction of standardized data elements established by OMB and Treasury.

DATA Act Guidance and Automated Data Collection System

Treasury’s guidance, known as the DATA Act Information Model Schema (Schema), describes the seven data files that comprise a DATA Act submission and dictates the sources of information in each file. Treasury also developed the DATA Act Broker—an automated data collection system designed to ensure agency-submitted data is properly formatted and validated across financial and award systems.

Each reporting system that feeds into the Schema provides slightly different insight into financial and award data, as shown in Figure 2. On the financial side, the authoritative source for data is each agency’s financial system. Three files—Files A, B, and C—each with specific attributes, are generated from agency financial systems. For example, summary-level appropriations data is reported to the Broker through File A, spending information organized by object class code is reported through File B, and spending information organized by transaction is reported through File C. On the procurement or award side, the authoritative sources are the Federal Procurement Data System-Next Generation (FPDS-NG), Financial Assistance Broker Submission (FABS), System for Award Management (SAM), and Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). The Broker extracts information from each of these four systems—owned by the General Services Administration and Treasury. For example, information on a sub-contractor’s name and address is extracted from FSRS and reported through File F.

Figure 2: DATA Act File Attributes

<p>File A <i>Appropriations Account</i></p> <ul style="list-style-type: none"> • Generated from agency financial system • Appropriations summary level aligned to SF 133 reporting³ 	<p>File B <i>Object Class Code and Program Activity</i></p> <ul style="list-style-type: none"> • Generated from agency financial system • Obligation and outlay information at the program activity and object class code level 	<p>File C <i>Award Financial</i></p> <ul style="list-style-type: none"> • Generated from agency financial system • Obligations at the award and object class code level 	
<p>File D1 <i>Procurement Award Information</i></p> <ul style="list-style-type: none"> • Extracted from FPDS-NG • Procurement award and awardee details, such as product or service, awardee information, contract start and expiration dates, and place of performance 	<p>File D2 <i>Financial Assistance Award Information</i></p> <ul style="list-style-type: none"> • Extracted from FABS • Financial assistance award (grants, cooperative agreements, loans) and awardee details, such as awardee information and place of performance 	<p>File E <i>Additional Awardee Attributes</i></p> <ul style="list-style-type: none"> • Extracted from SAM • Additional prime awardee attributes, such as unique identifier and executive compensation information 	<p>File F <i>Subaward Attributes</i></p> <ul style="list-style-type: none"> • Extracted from FSRS • Subawardee information, such as name, place of performance, and executive compensation

Source: NASA OIG analysis of OMB and Treasury data.

³ Standard Form (SF) 133, *Report on Budget Execution and Budgetary Resources*, allows the monitoring of funds consistently across programs within an agency and across agencies on a quarterly basis.

The Broker also standardizes and helps validate the data. First, the Broker determines whether data elements within the files comply with formatting requirements (such as field type and character length) and are correctly calculated. Second, the Broker validates budget and financial data (including elements such as appropriation account, object class code, outlay, and program activity) by cross-checking multiple sources. Once the validation is complete, the Broker produces an error report. The error report can contain “fatal errors,” which would not allow the agency to certify and submit its data, and “warnings,” which highlight discrepancies but still allow certification and submission. Agencies have the opportunity to correct errors and warnings prior to certifying the data. After validation and certification, the Broker publishes the data on USAspending.gov. Data is published to the site quarterly.

Assuring Data Completeness and Accuracy

OMB and Treasury require agencies to validate and certify the completeness and accuracy of data submitted to the Broker. Each agency’s Senior Accountable Official (SAO) for the DATA Act is required to provide two types of assurance. The first is to certify that the linkage among Files A through F is valid and reliable. For example, a financial transaction with a Procurement Instrument Identifier (PIID) in File C must align with the procurement award information in File D1, which is extracted from FPDS-NG. The second assurance is to certify that data submitted in Files A through D2 is valid and reliable.⁴

⁴ There is no requirement that Files E and F be validated.

In order to provide this assurance, SAOs confirm that internal controls over data quality mechanisms are in place for the data submitted.⁵ For agency-owned systems, SAOs consider assurance provided under the Federal Managers' Financial Integrity Act (FMFIA) of 1982, which requires agencies to establish internal accounting and administrative controls and provide annual statements of assurance that those controls are designed adequately and operating effectively.⁶ SAOs also consider the results of existing verification procedures required by the Federal Acquisition Regulation (FAR).⁷ Finally, for externally-generated files, SAOs are expected to apply assurances based on the internal controls of the system owner (the General Services Administration).

In June 2018, OMB issued guidance requiring agencies to develop and maintain a Data Quality Plan to assist in achieving the objectives of the DATA Act.⁸ According to OMB, the Data Quality Plan should consider the risks to data quality and existing controls that would mitigate such risks. Additionally, the Data Quality Plan should cover significant milestones and major decisions pertaining to:

- organizational structure and key processes providing internal controls for spending reporting;
- management's responsibility to supply quality data to meet the reporting objectives;
- testing plan and identification of high-risk reported data, including specific data the agency determines to be high-risk that are explicitly referenced by the DATA Act; and
- actions taken to manage identified risks.

Agencies are required to consider the Data Quality Plan in the annual assurance statement process beginning in FY 2019 and continuing through FY 2021 at a minimum, or until they can provide reasonable assurance over the internal controls for DATA Act reporting.

NASA's DATA Act Process

NASA established a process, following Treasury's Schema, for generating and uploading financial data as shown in Figure 3. Specifically, the Agency generates File A by reformatting SF 133 data obtained from Treasury's web-based Government-wide Treasury Account Symbol Adjusted Trial Balance System (GTAS), which originated from NASA's core financial system known as Systems, Applications, and Products (SAP). Files B and C are generated directly from SAP. All three files are then stored on an Agency-developed web application and subsequently uploaded to the DATA Act Broker. The Broker then generates File D1 from FPDS-NG and File D2 from FABS.

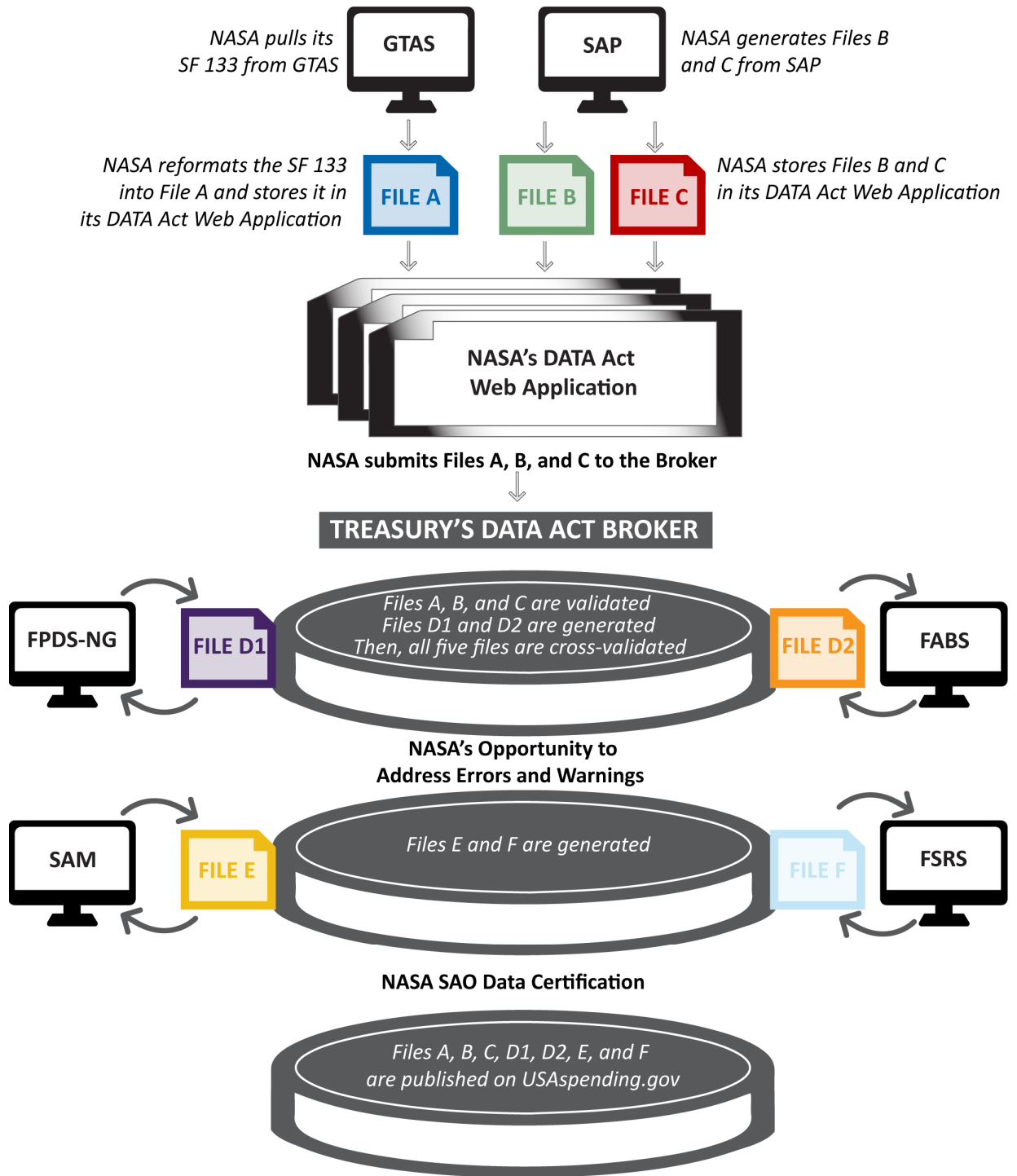
⁵ Existing data quality measures required by regulation and/or OMB guidance include: OMB Memorandum M-15-12, *Increasing Transparency of Federal Spending by Making Federal Spending Data Accessible, Searchable, and Reliable* (May 8, 2015) and OMB Memorandum M-17-04, *Additional Guidance for DATA Act Implementation: Further Requirements for Reporting and Assuring Data Reliability* (November 4, 2016).

⁶ OMB has issued guidance for implementing FMFIA, which provides direction for establishing, assessing, correcting, and reporting on internal controls. OMB Circular A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control* (July 15, 2016).

⁷ Federal Acquisition Regulation 4.604, *Responsibilities*, requires an annual FPDS-NG Verification and Validation report be sent to the General Services Administration.

⁸ OMB Memorandum M-18-16, *Appendix A to OMB Circular A-123, Management of Reporting and Data Integrity Risk* (June 6, 2018).

Figure 3: NASA's Data Generation Process



Source: NASA OIG depiction of NASA's data generation process.

Note: GTAS data originates in SAP.

Once the files are generated, the Broker validates the five files containing NASA's data. Then, the Broker generates an error report and NASA has the opportunity to resolve errors. Finally, the Broker generates

Files E and F from external reporting systems. File E (Additional Awardee Attributes) is generated from SAM, and File F (Subaward Attributes) is generated from FSRS. NASA's SAO subsequently certifies and publishes the Agency's submission to USAspending.gov. The Agency's FY 2019, first quarter submission included 8,676 transactions worth about \$4.2 billion.⁹

Certification of Data Completeness and Accuracy

NASA relies on the FMFIA requirements and OMB guidance to evaluate and assure the reliability of its internal controls over its financial management systems. Thus, the annual assurance of internal controls required by FMFIA and OMB and detailed in NASA's Agency Financial Report covers its quarterly DATA Act submissions.¹⁰ Specific control activities related to the DATA Act include reviewing and reconciling data submitted to Treasury's GTAS, from which File A is generated. NASA also relies on its annual FPDS-NG Verification and Validation process to ensure data accuracy. This process, required by the Office of Federal Procurement Policy and conducted by NASA's Office of Procurement, identifies errors between FPDS-NG and NASA contract files and procurement systems.¹¹ Specifically, NASA Centers perform statistically-valid comparisons of FPDS-NG data to procurement systems and contract files twice a year. Twenty-five data elements such as *Award Type*, *Action Date* or the date signed, and Place of Performance Zip Code +4, a component of the *Primary Place of Performance Address*, are verified for accuracy. The NASA Office of Procurement compiles the Center results and provides a summary report to the Office of Federal Procurement Policy and the General Services Administration. For FY 2018, NASA reported an overall accuracy rate of 98 percent.¹²

To further increase transparency and accountability of its spending, NASA finalized its Data Quality Plan in June 2019. The plan outlines a governance structure, process for identifying risks, and explanation of the Agency's overall DATA Act submission process. According to the plan, NASA will monitor internal and external risks and classify risks as low, moderate, or high. Additionally, the Agency will conduct a risk assessment and the outcome will be used as an assurance tool to identify and quantify risks and map existing controls that mitigate those risks. The Agency intends to complete its first data quality risk assessment in FY 2020.

Inspector General DATA Act Reporting Requirements for FY 2019

The DATA Act also requires Inspectors General to review a statistically valid sample of the spending data submitted by their respective agencies. Each Inspector General must submit a public report to Congress assessing (1) the completeness, accuracy, timeliness, and quality of the data sampled and (2) the agency's implementation and use of the government-wide financial data standards. See Appendix D for a copy of the Council of the Inspectors General on Integrity and Efficiency (CIGIE) letter that outlines revised reporting timelines for Inspectors General.

⁹ The number and value of transactions are based on File C.

¹⁰ NASA, *FY 2018 Agency Financial Report* (November 15, 2018). The FY 2018 Statement of Assurance expressed a clean, unmodified assurance statement that its internal controls were operating effectively throughout the year.

¹¹ Office of Federal Procurement Policy Memorandum, *Improving Federal Procurement Data Quality – Guidance for Annual Verification and Validation* (May 31, 2011).

¹² NASA, *FY 2018 FPDS Data Quality Report Details and Certification* (June 21, 2019).

In order to ensure audit procedures are performed and reported consistently across the government, CIGIE developed a common audit methodology guide that further standardizes the definitions and requirements for reporting completeness, accuracy, timeliness, and quality to improve data comparability. Additionally, the guide requires each Inspector General to report error rates for completeness, accuracy, and timeliness of a statistical sample of its agency’s DATA Act submission. According to the guide, the scope of the audit includes assessing Files A through D2 to ensure:¹³

- *Completeness.* The required data elements for each of the tested transactions are reported in the appropriate files.
- *Accuracy.* Information, amounts, and other data relating to tested transactions are reported in accordance with the Schema, and with OMB and Treasury requirements, and agree with the authoritative source records.
- *Timeliness.* The required data elements for each tested transaction are reported in accordance with the reporting schedules. Financial elements should be reported in the quarter they occurred, procurement award elements should be reported in FPDS-NG within three business days after contract award, and financial assistance award elements should be reported no later than 30 days after award.¹⁴
- *Quality.* Data is complete, accurate, and provided timely. The degree of quality is based on the highest error rate of completeness, accuracy, and timeliness. See Figure 4 for the levels of quality.

Figure 4: Levels of Quality

Highest Error Rate	Quality Level
0 – 20 %	HIGHER
21 – 40 %	MODERATE
41 – 100 %	LOWER

Source: NASA OIG depiction of CIGIE guidance.

For this audit, we selected a random sample of 385 transactions from File C valued at approximately \$77.3 million. The sampled transactions included 323 procurement and 62 financial assistance award transactions such as grants and cooperative agreements. We projected the results of our transaction testing by data elements to the population of transactions in Files C and D for a projected error rate. See Appendix B for overall error rates for completeness, accuracy, and timeliness.

¹³ OIGs are not required to assess Files E and F.

¹⁴ Financial and financial assistance reporting schedules are determined by the Federal Funding Accountability and Transparency Act of 2006. Procurement reporting schedules are determined by FAR Part 4.604.

NASA'S DATA ACT SUBMISSION WAS COMPLETE AND TIMELY

Overall, we found NASA's FY 2019, first quarter submission was complete and timely. Further, we found the Agency implemented and properly used the government-wide financial data standards, as required by the DATA Act.

Completeness and Timeliness

We found NASA's DATA Act submission, which included Files A, B, and C, was complete and submitted timely. Specifically, summary-level financial data in File A included all Treasury Account Symbols from which funds were obligated, and summary-level financial data in File A matched the Agency's SF 133.¹⁵ Agency object class and program activity names and codes from File B matched the Program and Financing Schedule of the President's Budget and adhered to OMB regulations.¹⁶ Moreover, the totals of Files A and B matched. We also found File C included obligation amounts for each award made and/or modified during the reporting quarter, and was linked to File B through the Treasury Account Symbol, object class, and program activity data elements. Finally, we found the submission was filed by the required due date set by Treasury, and all transactions that should have been recorded were done so in the proper period (October 2018 through December 2018).¹⁷

Implementation and Use of Data Standards

NASA implemented and properly used the government-wide financial data standards as established by OMB and Treasury and required by the DATA Act. We reviewed the Agency's data inventory and mapping for Files A, B, C, D1, and D2 and found that the standardized data elements and definitions per the Schema were used across NASA's processes and systems.

¹⁵ SF 133, *Report on Budget Execution and Budgetary Resources*, allows the monitoring of funds consistently across programs within an agency and across agencies on a quarterly basis.

¹⁶ OMB Circular A-11, *Preparation, Submission, and Execution of the Budget* (June 2018).

¹⁷ The first quarter FY 2019 DATA Act submission was due on March 20, 2019.

NASA'S DATA MET THE STANDARD FOR HIGHER QUALITY DESPITE ERRORS IN TIMELINESS, ACCURACY, AND COMPLETENESS

We assessed the Agency's data for timeliness, accuracy, and completeness. Based on the standards established by CIGIE, data would be considered "higher quality" if the highest overall error rate for the three categories was 20 percent or below. Based on our tested transactions from File C, we determined that NASA's data met the CIGIE standard of higher quality.

Despite this positive rating, we identified errors that affected the timeliness, accuracy, and completeness of the data. Specifically, procurement information was not entered into source systems in accordance with the timeline established by the FAR. Additionally, we identified inaccuracies in the tested transactions attributable to manual input errors. Finally, we identified errors in the completeness and accuracy of the data due to contracting officials not verifying procurement information in FPDS-NG. These errors increase the risk that untimely, inaccurate, and incomplete data will be uploaded to USAspending.gov, decreasing the reliability and usefulness of the data published on the public website.

Delayed Procurement Reporting Affected Timeliness of Data

We found lags in NASA's reporting of data to FPDS-NG, which in turn affected the timeliness of information displayed on USAspending.gov. Specifically, for the 385 tested transactions we identified a 13.79 percent projected error rate for timeliness.¹⁸ The error rate is based on the number of applicable data elements tested for the 385 transactions with each data element weighted equally. We assessed timeliness by determining whether: (1) procurement award data elements from File D1 were recorded in FPDS-NG within three business days after the contract was awarded, (2) financial assistance data elements from File D2 were reported within 30 days of the award, and (3) financial data elements from File C were reported in the quarter in which they occurred. See Appendix B for a list of error rates by individual data element.

We found 61 tested transactions from File D1 related to procurement awards that were not entered into FPDS-NG within three business days after the contract or modification was signed, as required by the FAR. Agency officials explained that, due to competing priorities of contracting officers, information is not always input timely. Additionally, while NASA's annual Verification and Validation process reviews information within FPDS-NG to ensure accuracy, it does not include a verification for timeliness.

We also found that of the 61 transactions not entered into FPDS-NG in a timely manner, 13 could not be linked to a corresponding procurement award in File D1 due to delayed reporting of procurement

¹⁸ Based on a 95 percent confidence level, the projected error rate for timeliness is between 10.3 and 17.2 percent. The error rate is based on the number of applicable data elements tested for timeliness within the 385 tested transactions.

information in FPDS-NG. OMB and Treasury guidance states that transactions reported in File C should be linked to transactions in File D1 or D2 by Procurement Instrument Identifier (PIID) or Federal Award Identification Number (FAIN). In 12 of these 13 transactions, the FPDS-NG record was not finalized in the first quarter of FY 2019 and therefore was not included in the File D1 submission. For the one remaining transaction, Agency officials cited inaccurate information in FPDS-NG that needed to be corrected. As a result, all applicable data elements were considered incomplete, inaccurate, and untimely for these 13 transactions.

Errors Affected Accuracy and Completeness of Data

We also found errors in NASA's data that affected the accuracy and completeness of information displayed on USAspending.gov. Specifically, for our 385 tested transactions, we identified a 4.93 percent projected error rate for accuracy and a 3.1 percent projected error rate for completeness.¹⁹ The error rates are based on the number of applicable data elements tested for the 385 transactions, with each data element weighted equally. A data element was considered accurate if the amounts and other information relating to the transactions were recorded in accordance with OMB and Treasury requirements and matched the authoritative source, such as the Agency's financial system or procurement and financial assistance award documentation. Completeness was determined by first identifying which data elements were required to be reported and then determining whether the data was reported in the appropriate files. See Appendix B for a list of error rates by individual data elements.

The inaccuracies we identified related to data elements such as *Current Total Value of Award*, *Potential Total Value of Award*, *Primary Place of Performance Address*, and *Primary Place of Performance Congressional District*. These inaccuracies were the result of manual input errors by contracting officials. Additionally, errors we identified in other data elements—such as *Legal Entity Address*, *Legal Entity Congressional District*, *Ultimate Parent Legal Entity Name*, and *Ultimate Parent Unique Identifier*—were the result of contracting officials not verifying the completeness or accuracy of procurement information in FPDS-NG.

NASA Manually Inputted Inaccurate Data

We found that NASA manually inputted inaccurate data—related to *Current Total Value of Award*, *Potential Total Value of Award*, and *Primary Place of Performance* data in File D1—into FPDS-NG. Specifically, we found errors in 33 tested transactions totaling an absolute value of \$1.3 billion for *Current Total Value of Award* in File D1.²⁰ We also found errors in 33 tested transactions totaling an absolute value of \$3.2 billion for *Potential Total Value of Award* in File D1.²¹ Twenty-six of the 33 transactions had errors in both *Current Total Value of Award* and *Potential Total Value of Award*. According to OMB and Treasury's standardized data elements and definitions, *Current Total Value of Award* is the total amount obligated to date on a contract, including the base and exercised options; the

¹⁹ Based on a 95 percent confidence level, the projected error rate for accuracy of the data elements is between 2.8 and 7.1 percent; the projected error rate for completeness is between 1.4 and 4.8 percent.

²⁰ The *Current Total Value of Award* data element was applicable to 279 procurement award transactions in our sample with a current value totaling \$26.7 billion. The absolute value is the magnitude of a number without regard to its sign (negative or positive).

²¹ The *Potential Total Value of Award* data element was applicable to 323 procurement award transactions in our sample with a potential value totaling \$61 billion.

Potential Total Value of Award is the total amount that could be obligated on a contract if the base and all options are exercised. Contracting officers explained that these current and potential values were incorrectly inputted into FPDS-NG when executing either the current modification or a prior modification. For example, a contracting officer explained that when executing a prior modification the obligation amount was erroneously inputted into FPDS-NG as an increase in the contract value. During the course of our audit, officials began correcting these errors. See Appendix C for details on the accuracy of dollar-value data elements.

Additionally, we found 37 tested transactions in Files D1 and D2 with an inaccurate *Primary Place of Performance Address*, and 40 tested transactions with an inaccurate *Primary Place of Performance Congressional District*. The inaccuracies were mainly due to incorrect ZIP+4 Codes. The ZIP+4 Code is a component of the *Primary Place of Performance Address*, which identifies where the predominance of the work will be performed. The ZIP+4 Code is also used to generate place of performance congressional district information; therefore, the errors in *Primary Place of Performance Address* caused *Primary Place of Performance Congressional District* to also be inaccurate. Contracting officials explained that they inaccurately entered ZIP Code information into FPDS-NG.

NASA Did Not Verify the Accuracy of Procurement Information

We identified incomplete and inaccurate data with regard to the *Legal Entity Address* data element in our sample. We also found inaccuracies related to *Legal Entity Congressional District*, *Ultimate Parent Legal Entity Name*, and *Ultimate Parent Unique Identifier*. The errors were caused by contracting officials not verifying the accuracy of information in FPDS-NG. Specifically, we found 31 incomplete tested transactions in Files D1 and D2 because the ZIP Codes were missing the +4 portion of the *Legal Entity Address*. According to OMB and Treasury, the *Legal Entity Address* should match what the entity has filed with the state in its organizational documents. *Legal Entity Address* information in FPDS-NG is derived from SAM, and contractors are responsible for updating their own information. In these sampled transactions, the +4 portion of the ZIP Code was missing in SAM and therefore did not get transferred into FPDS-NG.

We also found 83 tested transactions with inaccuracies related to *Legal Entity Address*, 78 tested transactions with inaccuracies in *Legal Entity Congressional District*, and 40 tested transactions with inaccuracies related to *Ultimate Parent Legal Entity Name* and *Ultimate Parent Unique Identifier*.²² Procurement officials explained the errors related to these four data elements occur when an entity updates its registration in SAM, including its address or parent information, but the update is not recorded in the source system (FPDS-NG). Officials stated that entity information in FPDS-NG remains the same as it was at the time the contract was awarded unless a modification is executed by a NASA procurement official. Although the information does not automatically update in FPDS-NG, NASA's procurement system contains accurate information because it does receive automatic updates from SAM. Nevertheless, according to procurement officials, it is the contracting officer's responsibility to ensure accurate information is included in FPDS-NG.

Agency officials said they were unaware of the errors related to *Current Total Value of Award*, *Potential Total Value of Award*, *Legal Entity Address*, *Ultimate Parent Legal Entity Name*, *Ultimate Parent Unique Identifier*, and *Primary Place of Performance* because the DATA Act does not require the Agency to

²² The *Legal Entity Address* data element includes five components: Address Lines 1 and 2, City, State Code, and ZIP+4 Code. The *Legal Entity Congressional District* is based on the address where the awardee or recipient is located. Additionally, the *Ultimate Parent Unique Identifier* and *Ultimate Parent Legal Entity Name* is a unique identification number and name for the parent company of an awardee or recipient.

compare the information contained in Files D1 or D2 against information in NASA's financial or procurement systems. While the Agency relies on the annual FPDS-NG Validation and Verification process to catch these types of errors, information within this reporting period (first quarter of FY 2019) will not be finalized until later in FY 2020. The resulting timing discrepancy between this validation process and DATA Act submissions increases the risk that incomplete and inaccurate NASA data will be displayed on USAspending.gov.

CONCLUSION

NASA's overall DATA Act submission was complete, timely, and properly used the government-wide financial data standards. Additionally, the transactions we tested were of "higher quality," based on the standard set by CIGIE. However, we identified errors within the transactions that affected the timeliness, accuracy, and completeness of the data used as part of the submission. The ultimate goal of the DATA Act is to increase the transparency and accountability of federal spending, making it easier for policymakers and the public to track how taxpayer dollars are being used. The veracity and usefulness of the spending information posted to USAspending.gov depends on federal agencies, including NASA, continuing to make improvements to their processes for collecting and verifying financial and procurement data.

One way NASA plans to address DATA Act requirements going forward is through implementation of its Data Quality Plan, which will include an assessment of the risks to the timeliness, accuracy, completeness, and quality of the spending data the Agency reports to the public. The errors identified in this report provide a guide for NASA to focus its risk assessment efforts as it looks toward implementation of the Data Quality Plan in FY 2020.

RECOMMENDATIONS, MANAGEMENT'S RESPONSE, AND OUR EVALUATION

To improve the timeliness, accuracy, and completeness of NASA's DATA Act submissions, we recommended that the Assistant Administrator for Procurement:

1. Reinforce to contracting officers their responsibility to follow the FAR requirement to report procurement award data elements in FPDS-NG within three business days after contract award.
2. Incorporate a procedure into the existing Verification and Validation process to verify that procurement data is entered into FPDS-NG within three business days after contract award.
3. Correct the incomplete and inaccurate award data identified in this audit.
4. Instruct contracting officers how to complete data fields in FPDS-NG that require manual input, such as the *Current Total Value of Award* and *Potential Total Value of Award* fields, and instruct contracting officers to verify that the data in FPDS-NG is consistent with the latest information in SAM when executing an award action.

We also recommended that the Chief Financial Officer, working with the Senior Accountable Official:

5. Incorporate the results of this audit—as detailed in this report and specifically identified according to data elements in Appendixes B and C—when executing the Agency's Data Quality Plan and determining high risk control areas in FY 2020.

We provided a draft of this report to NASA management who concurred with our recommendations and described actions they plan to take. We consider management's comments responsive; therefore, the recommendations are resolved and will be closed upon completion and verification of the proposed corrective actions.

Management's comments are reproduced in Appendix E. Technical comments provided by management have been incorporated as appropriate.

Major contributors to this report include Mark Jenson, Financial Management Director; Tekla Colón, Project Manager; Bret Skalsky; Mona Mann; Cynthia Collado; and Shari Bergstein. Matt Ward provided editorial and graphics assistance.

If you have questions about this report or wish to comment on the quality or usefulness of this report, contact Laurence Hawkins, Audit Operations and Quality Assurance Director, at 202-358-1543 or laurence.b.hawkins@nasa.gov.



Paul K. Martin
Inspector General

APPENDIX A: SCOPE AND METHODOLOGY

We performed this audit from March 2019 through October 2019 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. The scope of this audit was NASA's FY 2019, first quarter financial and award data submitted for publication on USAspending.gov. Our objectives were to assess (1) the completeness, accuracy, timeliness, and quality of the data, and (2) the Agency's implementation and use of the government-wide financial data standards.

We reviewed applicable laws and regulations and interviewed and/or obtained information from various personnel including NASA's Senior Accountable Official for the DATA Act and individuals on the NASA DATA Act team from the Office of the Chief Financial Officer, Office of Procurement, and Agency Applications Office. We performed detailed audit steps as outlined in the *CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act*, issued February 14, 2019.²³ This included obtaining the Agency's FY 2019, first quarter DATA Act submission for Files A, B, C, D1, D2, E, and F, and the Senior Accountable Official's certification report. We gained an understanding of Agency's certification and submission process as well as the reconciliation process used to address warnings from the Broker.

To determine whether NASA's overall DATA Act submission was complete and timely we ensured summary level financial data in File A included all Treasury Account Symbols from which funds were obligated and matched the Agency's financial reports submitted to Treasury. We also verified that all program activity names, codes, and object class codes listed in File B matched the Program and Financing Schedule of the President's Budget and OMB regulations, and that the totals of Files A and B matched. Additionally, we ensured File C linked to File B through the required data elements and also linked to Files D1 and D2 by award identification number. Finally, we ensured NASA's FY 2019, first quarter submission was certified and submitted to the Broker by the required due date of March 20, 2019.

We followed the approach outlined in the *CIGIE FAEC Inspectors General Guide to Compliance under the DATA Act* to develop our sample. Per the CIGIE requirements, our sample is based on a 95 percent confidence level, the population size of 8,676, the expected error rate of 57 percent, and a desired sampling precision of 5 percent with a maximum sample size of 385.²⁴ Using these parameters, we selected a statistically valid, simple random sample of 385 transactions from File C using the Excel RAND function. We performed procedures to ensure the sampled transactions from File C linked to Files D1 and D2 by unique record identifier and transaction obligated amount.

To assess the completeness of the data elements in the sampled transactions for Files C, D1, and D2, we ensured that all sampled transactions contained the data elements required by the Act. If a data element was required, but was not reported, we considered the data element for that transaction incomplete.

²³ FAEC is the Federal Audit Executive Council.

²⁴ The expected error rate was based on the results of the 2017 review, IG-18-004. The error rate was reported to the Government Accountability Office.

To assess accuracy of the data elements in Files C, D1, and D2, we determined if the amounts and other data relating to the sampled transactions had been recorded in accordance with the Schema, Reporting Submission Specification, Interface Definition Document, and the DATA Act Online Data Dictionary, and agreed with the authoritative source records. We matched data elements from Files C, D1, and D2 to NASA's financial system, SAP; procurement system, SAP Procurement for Public Sector; or procurement award and financial assistance award modification documentation. We also matched award data elements from Files D1 and D2 to SAM and verified congressional districts to house.gov.

To assess for timeliness of the data elements, we ensured (1) award financial data elements within File C were reported within the quarter in which the award occurred; (2) procurement award data elements within File D1 were reported in FPDS-NG within three business days after contract award in accordance with the FAR; and (3) financial assistance award data elements within File D2 were reported no later than 30 days after award. Finally, to assess the quality of the data elements, we determined whether the data was complete, accurate, and reported timely. We used the overall results of the statistical sample for completeness, accuracy, and timeliness in order to provide a range of results for quality.

To determine whether the Agency implemented and properly used the data elements, we reviewed the Agency's data inventory and mapping for Files A, B, C, D1, and D2 to ensure that the standardized data elements and OMB and Treasury definitions per the Schema were used across Agency business processes and systems. We also performed an assessment of the internal control process NASA has in place over DATA Act reporting, which included obtaining an understanding of the design of internal and information system controls as it related to the extraction of data from the source systems and the reporting of data to the Broker. For each of the tests performed, we considered the reasonableness of NASA's process to resolve all variances we identified.

Federal Laws, Regulations, Policies, and Guidance

We reviewed the following laws, regulations, policies, and guidance for information related to implementation of the DATA Act.

- Digital Accountability and Transparency Act of 2014, Pub. L. No. 113-101 (2014)
- Federal Funding Accountability and Transparency Act of 2006, Pub. L. No. 109-282 (2006)
- The Federal Managers' Financial Integrity Act of 1982 (FMFIA), Pub. L. No. 97-255 (1982)
- Code of Federal Regulations, Title 48 Federal Acquisition Regulations (FAR) Part 4 *Administrative Matters*, Subpart 4.604 *Responsibilities* (October 1, 2018)
- OMB Circular A-11, *Preparation, Submission, and Execution of the Budget* (June 2018)
- OMB Circular A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control* (July 15, 2016)
- OMB Memorandum M-18-16, *Appendix A to OMB Circular A-123, Management of Reporting and Data Integrity Risk* (June 6, 2018)
- OMB Memorandum M-17-04, *Additional Guidance for DATA Act Implementation: Further Requirements for Reporting and Assuring Data Reliability* (November 4, 2016)
- OMB Memorandum M-15-12, *Increasing Transparency of Federal Spending by Making Federal Spending Data Accessible, Searchable, and Reliable* (May 8, 2015)

- OMB Memorandum M-13-08, *Improving Financial Systems Through Shared Services* (March 25, 2013)
- OMB Memorandum M-10-06, *Open Government Directive* (December 8, 2009)
- OMB Management Procedures Memorandum No. 2016-03, *Additional Guidance for DATA Act Implementation: Implementing Data-Centric Approach for Reporting Federal Spending Information* (May 3, 2016)
- OMB, *Open Government Directive – Framework for the Quality of Federal Spending Information* (February 8, 2010)
- OMB, *Guidelines for Ensuring and Maximizing the Quality, Objectivity, Utility, and Integrity of Information Disseminated by Federal Agencies* (February 22, 2002)
- Office of Federal Procurement Policy Memorandum, *Improving Federal Procurement Data Quality – Guidance for Annual Verification and Validation* (May 31, 2011)
- U.S. Department of the Treasury, *DATA Act Information Model Schema (DAIMS) Practices and Procedures for DATA Act Broker Submissions Version 1.3.1* (February 8, 2019)
- U.S. Department of the Treasury, *DATA Act Information Model Schema Reporting Submission Specification (RSS) Version 1.3.1* (February 8, 2019)
- U.S. Department of the Treasury, *DATA Act Information Model Schema Interface Definition Document (IDD) Version 1.3.1* (February 8, 2019)
- The DATA Act Online Data Dictionary (https://www.usaspending.gov/#/download_center/data_dictionary)
- NASA Procedural Requirements 9010.2B, *The Continuous Monitoring Program of Financial Controls* (May 31, 2018)
- NASA Procedural Requirements 9010.3, *Financial Management Internal Control* (September 30, 2008)
- NASA Procedural Requirements 9130.1, *NASA Financial Information Systems* (September 30, 2008)
- NASA Office of the Chief Financial Officer, *DATA Quality Plan* (June 24, 2019)
- NASA Office of Procurement, *NASA Federal Procurement Data System (FPDS) Guide* (April 11, 2016)

Use of Computer-Processed Data

We used computer processed data extracted from NASA’s financial system, SAP; NASA’s procurement system, SAP Procurement for Public Sector; NASA’s legacy contract writing system, PRISM; the General Services Administration’s System for Award Management at SAM.gov; the General Services Administration’s Federal Procurement Data System, Next Generation at FPDS.gov; and the United States House of Representatives website at house.gov. We used this data to determine the reliability and accuracy of NASA’s DATA Act submission. Although we did not independently verify the reliability of all this information, we compared it with other available supporting documents to determine data consistency and reasonableness. From these efforts, we believe the information we obtained is sufficiently reliable for this report.

Review of Internal Controls

We performed an assessment of the internal control process NASA has in place over DATA Act reporting, which included obtaining an understanding of the design of internal and information system controls as it related to the extraction of data from the source systems and the reporting of data to the Broker. We identified weaknesses in the process as described in the report. Our recommendations, if implemented, should correct the identified control weaknesses.

Prior Coverage

During the last 5 years, NASA OIG and GAO have issued 8 reports of significant relevance to the subject of this report. Reports can be accessed at <https://oig.nasa.gov/audits/auditReports.html> and <https://www.gao.gov>, respectively.

NASA Office of Inspector General

NASA's Compliance with the Digital Accountability and Transparency Act of 2014
(IG-18-004, November 7, 2017)

Government Accountability Office

DATA Act: Pilot Effectively Tested Approaches for Reducing Reporting Burden for Grants but Not for Contracts (GAO-19-299, April 2019)

DATA Act: OMB Needs to Formalize Data Governance for Reporting Federal Spending
(GAO-19-284, March 2019)

Open Data: Treasury Could Better Align USAspending.gov with Key Practices and Search Requirements
(GAO-19-72, December 2018)

DATA Act: Reported Quality of Agencies' Spending Data Reviewed by OIGs Varied Because of Government-wide and Agency Issues (GAO-18-546, July 2018)

DATA Act: OMB, Treasury, and Agencies Need to Improve Completeness and Accuracy of Spending Data and Disclose Limitations (GAO-18-138, November 2017)

DATA Act: As Reporting Deadline Nears, Challenges Remain That Will Affect Data Quality
(GAO-17-496, April 2017)

DATA Act: Office of Inspector General Reports Help Identify Agencies' Implementation Challenges
(GAO-17-460, April 2017)

APPENDIX B: DATA ELEMENT ERROR RATES

Data Element No.	Data Element Name	Error Rate Percentage for Timeliness (T), Accuracy (A), Completeness (C)		
		T	A	C
1	Awardee/Recipient Legal Entity Name	15.84	4.16	3.38
2	Awardee/Recipient Unique Identifier	15.84	6.23	3.38
3	Ultimate Parent Unique Identifier	15.84	10.39	3.38
4	Ultimate Parent Legal Entity Name	15.84	10.39	3.38
5	Legal Entity Address	15.84	21.56	8.07
6	Legal Entity Congressional District	15.84	20.31	4.43
7	Legal Entity Country Code	15.84	3.38	3.38
8	Legal Entity Country Name	15.84	3.38	3.38
9	Highly Compensated Officer Name	N/A	N/A	N/A
10	Highly Compensated Officer Total Compensation	N/A	N/A	N/A
11	Federal Action Obligation	15.84	4.16	3.38
12	Non-Federal Funding Amount	N/A	N/A	N/A
13	Amount of Award	0.00	0.00	0.00
14	Current Total Value of Award	19.35	11.83	3.94
15	Potential Total Value of Award	18.89	10.22	4.02
16	Award Type	15.84	3.38	3.38
17	North American Industry Classification System (NAICS) Code	18.89	4.02	4.02
18	NAICS Description	18.89	4.02	4.02
19	Catalog of Federal Domestic Assistance (CFDA) Number	0.00	0.00	0.00
20	CFDA Title	0.00	0.00	0.00

Data Element No.	Data Element Name	Error Rate Percentage for Timeliness (T), Accuracy (A), Completeness (C)		
		T	A	C
21	Treasury Account Symbol (excluding Sub-Account)	Included as part of Data Element 51		
22	Award Description	15.84	5.97	0.00
23	Award Modification/Amendment Number	15.84	3.38	3.38
24	Parent Award ID Number	26.71	2.05	2.05
25	Action Date	15.84	3.64	3.38
26	Period of Performance Start Date	16.35	4.56	3.49
27	Period of Performance Current End Date	16.41	3.34	3.34
28	Period of Performance Potential End Date	19.35	4.30	3.94
29	Ordering Period End Date	15.56	4.44	4.55
30	Primary Place of Performance Address	15.88	10.88	3.24
31	Primary Place of Performance Congressional District	15.88	11.76	3.24
32	Primary Place of Performance Country Code	15.84	3.23	3.23
33	Primary Place of Performance Country Name	15.54	3.23	3.23
34	Award ID Number (PIID/FAIN)	15.84	3.38	3.38
35	Record Type	0.00	0.00	0.00
36	Action Type	16.67	5.08	3.67
37	Business Types	0.00	0.00	0.00
38	Funding Agency Name	15.84	3.38	3.38
39	Funding Agency Code	15.84	3.38	3.38
40	Funding Sub Tier Agency Name	15.84	3.38	3.38
41	Funding Sub Tier Agency Code	15.84	3.64	3.38
42	Funding Office Name	15.84	3.38	3.38
43	Funding Office Code	15.84	3.38	3.38

Data Element No.	Data Element Name	Error Rate Percentage for Timeliness (T), Accuracy (A), Completeness (C)		
		T	A	C
44	Awarding Agency Name	15.84	3.38	3.38
45	Awarding Agency Code	15.84	3.38	3.38
46	Awarding Sub Tier Agency Name	15.84	3.38	3.38
47	Awarding Sub Tier Agency Code	15.84	3.38	3.38
48	Awarding Office Name	15.84	3.38	3.38
49	Awarding Office Code	15.84	3.38	3.38
50	Object Class	0.00	0.00	0.00
51	Appropriations Account	0.00	0.00	0.00
52	Budget Authority Appropriated	N/A	N/A	N/A
53	Obligation	0.00	0.00	0.00
54	Unobligated Balance	N/A	N/A	N/A
55	Other Budgetary Resources	N/A	N/A	N/A
56	Program Activity	0.00	0.00	0.00
57	Outlay	N/A	N/A	N/A
Overall Error Rates		13.79	4.93	3.10

Source: NASA OIG results of testing of data elements for timeliness, accuracy, and completeness.

Note: Data Elements marked N/A were not required to be tested or were optional data elements and not reported by the Agency.

APPENDIX C: ACCURACY OF DOLLAR-VALUE RELATED DATA ELEMENTS

The following table provides the results of our testing for dollar-value related data elements.

Data Element (DE)	Accurate	Not Accurate	Not Applicable	Total Tested	Error Rate (percent)	Absolute Value of Errors (in millions) ^a
DE 11 Federal Action Obligation	369	16	0	385	4.16	\$9.4
DE 12 Non-Federal Funding Amount	0	0	62	62	N/A	\$0
DE 13 Amount of Award	62	0	0	62	0.00	\$0
DE 14 Current Total Value of Award	246	33	106	385	11.83	\$1,282.3
DE 15 Potential Total Value of Award	290	33	0	323	10.22	\$3,244.8
DE 53 Obligation	385	0	0	385	0.00	\$0

Source: NASA OIG results of dollar-value related data elements.

^a These amounts are not projectable to the population because the tests of transactions were performed on attributes and not on monetary amounts.

Note: Data Elements 12 and 13 apply only to financial assistance award transactions; and Data Element 15 applies only to procurement award transactions. Data Element 12 contains the amount of the award funded by non-federal sources. No NASA financial assistance award transactions included non-federal amounts. Data Element 14 applies to both, however, it includes 44 procurement award transactions that were not applicable because of the type of contract and 62 financial assistance award transactions that do not apply because NASA does not issue loans.

APPENDIX D: CIGIE 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

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

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

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

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

Sincerely,



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

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

APPENDIX E: MANAGEMENT'S COMMENTS

National Aeronautics and Space Administration
 Headquarters
 Washington, DC 20546-0001



NOV - 6 2019

Office of the Chief Financial Officer

Reply to Attn of:

TO: Assistant Inspector General for Audits

FROM: Chief Financial Officer

Assistant Administrator for Procurement

SUBJECT: Agency Response to OIG Draft Report, "NASA's Compliance with the Digital Accountability and Transparency Act for Fiscal Year 2019" (A-19-006-00)

NASA appreciates the opportunity to review and comment on the Office of Inspector General (OIG) draft report entitled, "NASA's Compliance with the Digital Accountability and Transparency Act for Fiscal Year 2019" (A-19-006-00), dated October 7, 2019.

In the report, the OIG found that, in general, NASA's overall DATA Act submission was complete, timely, and properly used the Government-wide financial data standards. Additionally, the transactions tested were of "higher quality," based on the standard set by the Council of the Inspectors General on Integrity and Efficiency (CIGIE). However, the OIG identified errors within the transactions that affected the timeliness, accuracy, and completeness of the data used as part of the submission.

The OIG makes four recommendations to the Assistant Administrator of Procurement (AA/OP) and one to NASA's Chief Financial Officer (CFO) intended to ensure the timeliness, accuracy, and completeness of NASA's DATA Act submissions.

Specifically, the OIG recommends the AA/OP:

Recommendation 1: Reinforce to contracting officers their responsibility to follow the Federal Acquisition Regulation (FAR) requirement to report procurement award data elements in Federal Procurement Data System - Next Generation (FPDS-NG) within three business days after contract award.

Management's Response: NASA concurs. The Office of Procurement will communicate a reminder to contracting officers of their responsibility to follow the FAR requirement to report procurement award data elements in FPDS-NG within three business days after contract award. In addition, training will be provided to reinforce the data quality requirements.

Estimated Completion Date: May 1, 2020

Recommendation 2: Incorporate a procedure into the existing Verification and Validation process to verify that procurement data is entered into FPDS-NG within three business days after contract award.

Management's Response: NASA concurs. The Office of Procurement will incorporate a requirement to run FPDS-NG reports to ensure compliance with the three business days post-contract award requirement in the verification and validation process.

Estimated Completion Date: November 30, 2020

Recommendation 3: Correct the incomplete and inaccurate award data identified in this audit.

Management's Response: NASA concurs. The Office of Procurement will ensure all of the incomplete and/or inaccurate actions identified in this audit are corrected.

Estimated Completion Date: November 15, 2019

Recommendation 4: Instruct contracting officers how to complete data fields in FPDS-NG that require manual input, such as the *Current Total Value of Award* and *Potential Total Value of Award* fields, and instruct contracting officers to verify that the data in FPDS-NG is consistent with the latest information in the System for Award Management (SAM) when executing an award action.

Management's Response: NASA concurs. The Office of Procurement will conduct training to instruct contracting officers on how to complete data fields in FPDS-NG and to verify the FPDS-NG data is consistent with SAM when executing an action.

Estimated Completion Date: May 1, 2020

The OIG also recommended that the Chief Financial Officer, working with the Senior Accountable Official:

Recommendation 5: Incorporate the results of this audit—as detailed in this report and specifically identified according to data elements in Appendixes B and C—when executing the Agency's Data Quality Plan and determining high risk control areas in FY 2020.

Management's Response: NASA Concur. We agree with the recommendation to incorporate the results of this audit when executing the Agency's Data Quality Plan and determining high-risk control areas in fiscal year 2020.

Estimated Completion Date: September 30, 2020

We have reviewed the draft report for information that should not be publicly released. As a result of this review, we have not identified any information that should not be publicly released.

Once again, thank you for the opportunity to review and comment on the subject draft report. If you have any questions or require additional information regarding this response, please contact Beverly McAlister on (202) 358-2829.



Jeff DeWit



Monica Manning

APPENDIX F: REPORT DISTRIBUTION

National Aeronautics and Space Administration

Administrator
 Deputy Administrator
 Associate Administrator
 Chief of Staff
 Chief Financial Officer
 Deputy Chief Financial Officer for Finance
 Associate Deputy Chief Financial Officer, Senior Accountable Official
 Assistant Administrator for Procurement

Non-NASA Organizations and Individuals

Office of Management and Budget
 Deputy Associate Director, Energy and Space Programs Division
 Government Accountability Office
 Managing Director, Office of Financial Management and Assurance
 Director, Office of Contracting and National Security Acquisitions

Congressional Committees and Subcommittees, Chairman and Ranking Member

Senate Committee on Appropriations
 Subcommittee on Commerce, Justice, Science, and Related Agencies
 Senate Committee on the Budget
 Senate Committee on Commerce, Science, and Transportation
 Subcommittee on Aviation and Space
 Senate Committee on Homeland Security and Governmental Affairs
 House Committee on Appropriations
 Subcommittee on Commerce, Justice, Science, and Related Agencies
 House Committee on the Budget
 House Committee on Oversight and Reform
 Subcommittee on Government Operations
 House Committee on Science, Space, and Technology
 Subcommittee on Investigations and Oversight
 Subcommittee on Space and Aeronautics

(Assignment No. A-19-006-00)