



MEMORANDUM

DATE: September 9, 2022

TO: James Biggins
Acting Executive Director of Operations

FROM: Eric Rivera */RA/*
Acting Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF THE
DNFSB'S COMPLIANCE UNDER THE DIGITAL
ACCOUNTABILITY AND TRANSPARENCY (DATA) ACT OF
2014 (DNFSB-22-A-02)

REFERENCE: OFFICE OF THE GENERAL MANAGER, MEMORANDUM
DATED AUGUST 24, 2022

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendations as discussed in the agency's response dated August 24, 2022. Based on this response, recommendation 1 is now closed. Recommendation 2 remains open and resolved. Please provide an updated status of the open, resolved recommendation by February 17, 2023.

If you have any questions or concerns, please call me at (301) 415-5915 or Terri Cooper, Team Leader, at (301) 415-5965.

Attachment: As stated

cc: T. Tadlock
O. Fawole

Evaluation Report

AUDIT OF THE DNFSB'S COMPLIANCE UNDER THE DIGITAL ACCOUNTABILITY AND TRANSPARENCY (DATA) ACT OF 2014

DNFSB-22-A-02

Status of Recommendations

Recommendation 1:

Enhance internal control and detective procedures surrounding DATA Act submissions. Procedures should include documenting reconciliations between DATA Files A, B, C, and D1, researching and resolving differences between files including resolving warning reports on a timely basis, and submitting DATA Act information timely to the DATA Act Broker in accordance with the reporting schedule established by the Treasury DATA Act Program Management Office. (Partial repeat of 2019 DATA Act audit report recommendation two).

Agency Response Dated
August 24, 2022:

DNFSB worked proactively to strengthen internal controls around the DATA Act process, which included realignment under the Finance team. The Finance team partnered with the U.S. Department of Agriculture (USDA) service provider to develop a repeatable process for monthly reconciliation of the DATA Act files. This partnership included establishing a process for resolving differences between files on a continuous basis. Regarding the warnings, USDA and DNFSB have determined that some DATA Act warnings cannot be resolved prior to monthly certification due to time constraints and system limitations. As a result, DNFSB downloads the DATA ACT files monthly from the DATA ACT Broker and meets with USDA and DNFSB internal stakeholders monthly to review and reconcile DATA Act files. All differences are researched and submitted for correction. The quarterly certification review includes documentation of all warnings and the processes for resolution. See attached for the June DATA Act Broker Submission Review.

OIG Analysis:

The OIG reviewed and verified the monthly reconciliation of the DATA Act files between the agency and its service provider, and determined the DNFSB has established appropriate processes to ensure timely submission of DATA Act files. This recommendation is now closed.

Status:

Closed.

Evaluation Report

AUDIT OF THE DNFSB'S COMPLIANCE UNDER THE DIGITAL ACCOUNTABILITY AND TRANSPARENCY (DATA) ACT OF 2014

DNFSB-22-A-02

Status of Recommendations

Recommendation 2:

Ensure Object Class Code is consistently documented on the contract.

Agency Response Dated
August 24, 2022:

DNFSB has established processes within Finance and Procurement to include three-digit codes on all contract documents to ensure consistency. We have contracted with Symplicity Corporation to update the DNFSB internal Financial Tracking system to update the system. See attached for the Symplicity MOD 1 award and accompanying quote to add 3-digit codes to Symplicity. As shown on the MOD 1 Award, DNFSB is including 3-digit Object class codes on the award documents.

OIG Analysis:

The OIG was informed by the DNFSB that the target completion date to incorporate the 3 digits code on the contract document is September 15, 2022. The recommendation will be closed when the proposed work has been completed.

Status:

Open: Resolved.