



MEMORANDUM

DATE: November 28, 2022

TO: James Biggins
Acting Executive Director of Operations

FROM: Hruta Virkar, CPA /*RA*/
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 the recommendations as discussed in the agency's responses dated August 24, 2022, and September 28, 2022. Based on these responses, all recommendations are now closed.

If you have any questions or concerns, please call me at 301.415.1982 or Terri Cooper, Team Leader, at 301.415.5965.

Attachment:
As stated

cc: T. Tadlock, OEDO
O. Fawole, CFO

Audit Report
AUDIT OF THE DNFSB'S COMPLIANCE UNDER THE DIGITAL
ACCOUNTABILITY AND TRANSPARENCY (DATA) ACT OF 2014
Status of Recommendations
(DNFSB-22-A-02)

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 timely basis, and submitting DATA Act information timely to the DATA Act Broker in accordance with 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.

Audit Report
AUDIT OF THE DNFSB'S COMPLIANCE UNDER THE DIGITAL
ACCOUNTABILITY AND TRANSPARENCY (DATA) ACT OF 2014
Status of Recommendations
(DNFSB-22-A-02)

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.

Agency Response Dated
September 28, 2022:

We are requesting closure of recommendation 2 from the FY21 DATA ACT Audit. Please transmit the attached to OIG. DNFSB has confirmed that the update contracted with Symplicity Corporation is complete as of September 20, 2022. All Object Classes in Symplicity for transactions completed since October 1, 2016, have been updated with three-digit object classes (to include all transactions currently open in Symplicity). All Excel reports now include three-digit object classes.

OIG Analysis:

The OIG reviewed and verified that transactions completed since October 1, 2016, have been updated with three-digit object classes. This recommendation is now closed.

Status:

Closed.