



United States Department of Agriculture



OFFICE OF INSPECTOR GENERAL



USDA Implementation of the Digital  
Accountability and Transparency Act of 2014  
(DATA Act)—Readiness Review—Interim  
Report  
Audit Report 11601-0001-23(1)

## OBJECTIVE

Our objective was to gain an understanding of the processes, systems, and controls that USDA has implemented, or plans to implement, to report financial and payment data in accordance with the requirements of the DATA Act.

## REVIEWED

We planned to review USDA's implementation of the DATA Act as of March 31, 2016, but we extended our scope through August 2016 to provide an accurate representation of ongoing DATA Act implementation activities.

## RECOMMENDS

Based on the results of this interim review, we are not making any recommendations.

## OIG reviewed USDA's initial implementation of the Digital Accountability and Transparency Act of 2014.

## WHAT OIG FOUND

The purpose of the Digital Accountability and Transparency Act of 2014 (DATA Act) is to establish government-wide financial data standards and increase the availability, accuracy, and usefulness of Federal spending information displayed on a single searchable public website (USASpending.gov, or its successor). To aid in the implementation of the DATA Act, the Department of the Treasury and the Office of Management and Budget issued a DATA Act Implementation Playbook. This guidance consisted of an eight-step plan for agencies to follow.

The Office of Inspector General (OIG) reviewed the steps the Department of Agriculture (USDA) has taken to complete the first four steps of this plan and found that USDA has:

- organized a team of subject matter experts who spanned the organization,
- reviewed the DATA Act elements and participated in the data definition standardization,
- identified the appropriate source systems to extract the needed data and understand any gaps (e.g., data that are not captured or that would be difficult to extract), and
- captured award ID data that would link financial data to agency management systems, and developed a comprehensive implementation plan.

We are reporting these results as an interim report. Our ongoing audit will evaluate USDA's implementation of the remaining four steps of the plan.

Since the report contains no recommendations, the Office of the Chief Financial Officer decided that an official written response was not necessary.





United States Department of Agriculture  
Office of Inspector General  
Washington, D.C. 20250



DATE: February 9, 2017

AUDIT  
NUMBER: 11601-0001-23(1)

TO: Lynn Moaney  
Acting Chief Financial Officer  
Office of the Chief Financial Officer

ATTN: Annie Walker  
Director  
Internal Control Division

FROM: Gil H. Harden  
Assistant Inspector General for Audit

SUBJECT: USDA Implementation of the Digital Accountability and Transparency Act of 2014  
(DATA Act) – Readiness Review – Interim Report

This report presents the results of the subject audit. On January 25, 2017, we provided you the draft report for your review and comment. You decided that neither a meeting to discuss the draft report nor an official written response was necessary, but suggested one wording change. We considered your comment in finalizing the report. Since we made no recommendations in the report, no further response to this office is necessary.

We appreciate the courtesies and cooperation extended to us by members of your staff during our audit fieldwork and subsequent discussions. This report contains publicly available information and will be posted in its entirety to our website (<http://www.usda.gov/oig>) in the near future.



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## Background and Objectives

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### Background

The Digital Accountability and Transparency Act of 2014 (DATA Act) amended the Federal Funding Accountability and Transparency Act of 2006 (FFATA), which required the Office of Management and Budget (OMB) to ensure the existence and operation of a single searchable website, accessible by the public at no cost to access, that includes Federal award information.<sup>1</sup> The Federal award information that agencies must make available under FFATA included, but was not limited to, the name of the entity receiving the award; the amount of the award; information on the award including transaction type, funding agency, program source, and an award title descriptive of the purpose of each funding action; the location of the entity receiving the award; and the primary location of performance under the award.

The purposes of the DATA Act are to (1) expand FFATA by disclosing direct Federal agency expenditures and linking Federal contract, loan, and grant spending information to Federal programs so taxpayers and policy makers can more effectively track Federal spending; (2) establish Government-wide data standards for financial data and provide consistent, reliable, and searchable Government-wide spending data that are displayed accurately for taxpayers and policy makers; (3) simplify reporting for entities receiving Federal funds by streamlining reporting requirements and reducing compliance costs while improving transparency; (4) improve the quality of data submitted by holding Federal agencies accountable for the completeness and accuracy of the data submitted; and (5) apply approaches developed by the Recovery Accountability and Transparency Board to spending across the Federal Government. The DATA Act charges OMB and the Department of the Treasury with issuing guidance on the data standards needed to implement the Act and requires full disclosure of Federal funds on the public website USASpending.gov (or a successor system) no later than May 2017.

The DATA Act further requires the Secretary of the Treasury, in consultation with the Director of OMB, to ensure that the information is posted to the public website at least quarterly. However, the DATA Act did not provide any additional funding dedicated to its implementation.

To aid in the implementation of the DATA Act, the Department of the Treasury and OMB issued a DATA Act Implementation Playbook (Playbook).<sup>2</sup> This guidance consisted of an eight-step plan for agencies to follow, and included suggested timelines, as shown in the table below.

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<sup>1</sup> Public Law 113-101, Digital Accountability and Transparency Act of 2014, enacted May 9, 2014. Public Law 109-282, Federal Funding Accountability and Transparency Act of 2006, enacted September 26, 2006.

<sup>2</sup> DATA Act Implementation Playbook, Version 1.0, was issued in June 2015; Version 2.0 is dated June 24, 2016.

Step	Description	Suggested Timeline
1. Organize Team	Create an agency DATA Act work group including impacted communities (e.g., Chief Information Officer, Budget, Accounting, etc.) and identify Senior Accountable Officer (SAO)	By spring 2015
2. Review Elements	Review list of DATA Act elements and participate in data definitions standardization	By spring 2015
3. Inventory Data	Perform inventory of Agency data and associated business processes	February 2015–September 2015
4. Design and Strategize	Plan changes (e.g., adding award IDs to financial systems) to systems and business processes to capture data that are complete multi-level (e.g., summary and award detail) fully-linked data	March 2015–September 2015
5. Prepare Data for Submission to the Broker	Implement system changes and extract data (includes mapping of data from agency schema to the DATA Act schema <sup>3</sup> ; and the validation) iteratively	October 2015–February 2016
6. Test Broker Implementation	Test broker outputs to ensure data are valid iteratively	October 2015–February 2016
7. Update Systems	Implement other system changes iteratively (e.g., establish linkages between program and financial data, capture any new data)	October 2015–February 2017
8. Submit Data	Update and refine process (repeat 5-7 as needed)	March 2016–May 9, 2017

The Department of Agriculture (USDA) has appointed the Office of the Chief Financial Officer (OCFO) as the lead for USDA’s DATA Act implementation. Like other agencies, USDA is facing challenges to the successful and timely implementation of the DATA Act, to include the lack of dedicated funding and incomplete, vague, and delayed guidance for implementation.

### **Inspector General Reviews of DATA Act Implementation**

The DATA Act identifies the improvement of data quality as one of its purposes. Toward that end, it requires that agency Inspectors General (IG) review statistical samples of the data submitted by the agency under the DATA Act and submit to Congress a series of oversight reports on the completeness, timeliness, quality, and accuracy of the data sampled and the use of the data standards by the agency.

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<sup>3</sup> The DATA Act schema depicts the relationships between data elements and provides the technical guidance for agencies on what data to report to the Department of the Treasury, as well as the submission format to use.

The Council of the Inspectors General on Integrity and Efficiency (CIGIE) identified a timing anomaly with the oversight requirements contained in the DATA Act. That is, the first IG reports are due to Congress in November 2016; however, Federal agencies are not required to report spending data until May 2017. To address this reporting date anomaly, IGs plan to provide Congress with their first required reports in November 2017, a 1 year delay from the statutory due date, with subsequent reports following on a 2 year cycle. Although CIGIE determined the best course of action was to delay the IG reports, CIGIE is encouraging IGs to undertake DATA Act “Readiness Reviews” at their respective agencies well in advance of the first November 2017 report. On December 22, 2015, CIGIE’s chair issued a letter memorializing this strategy for dealing with the IG reporting date anomaly and communicated it to the Senate Committee on Homeland Security and Government Affairs and the House Committee on Oversight and Government Reform. Exhibit A contains a copy of this letter.

This interim report covers USDA’s implementation of Steps 1 through 4 of the Playbook. Our review of USDA’s implementation of Steps 5 through 8 is in progress. We plan to issue a final report by spring 2017 that will include a complete review of USDA’s implementation of the DATA Act.

## **Objectives**

Our objective was to gain an understanding of the processes, systems, and controls which USDA has implemented, or plans to implement, to report financial and payment data in accordance with the requirements of the DATA Act. The results of this review will enable the OIG to provide recommendations, as needed, on how to improve the likelihood of compliance with the requirements of the DATA Act prior to full implementation.

## USDA's Efforts to Implement the DATA Act

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To date, as part of our ongoing review, we have gained an understanding of the processes, systems, and controls which USDA has implemented, or plans to implement, to report financial and payment data in accordance with DATA Act requirements.

USDA processes a very large amount of data that are subject to DATA Act requirements. According to USDA, in Fiscal Year 2014 its 26 agencies and staff offices processed more than a million Federal financial assistance awards, loans, and procurements valued at over \$95.4 billion.<sup>4</sup> The Department manages approximately 750 Treasury account symbols<sup>5</sup> and more than 530 program activities. Due to the magnitude of the data required for the DATA Act, USDA has created a repository to store all its DATA Act data, which will allow USDA to apply analytics and error checking before the data are submitted to USASpending.gov using the Department of the Treasury's data broker.<sup>6</sup>

In addition, as a designated Federal Shared Service Provider, USDA will provide data to the USDA repository for one external client.<sup>7</sup> Before USDA uploads this information<sup>8</sup> from the repository to the Department of the Treasury's broker, USDA will validate the information against federal procurement management ("File D1") and financial assistance ("File D2") systems data that the clients are expected to maintain and provide to USDA's repository.

While we noted challenges to USDA's implementation of Steps 3 and 4 of the eight-step agency plan (see below), we noted no material weaknesses that would prevent the Department from succeeding in its plans for DATA Act reporting. Overall, the USDA DATA Act implementation plan and process shows that USDA has taken strides towards full and timely implementation of the DATA Act.

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<sup>4</sup> The data reside in one of USDA's three general ledgers—the Financial Management Modernization Initiative (FMMI, which is the Department's main general ledger financial system), the Farm Service Agency CORE accounting system, and the Rural Development accounting system.

<sup>5</sup> A Treasury Account Symbol is a code that identifies critical information about each transaction reported. The relevant code is created by putting together the appropriate information for each of several parts (for example, agency identifier, fiscal year, main account number, sub-account number, etc.).

<sup>6</sup> The broker is under development by the Department of the Treasury and is envisioned to translate data from Federal agencies to the USASpending.gov website.

<sup>7</sup> A Federal shared service provider is a Federal agency designated by the Department of the Treasury and OMB to provide financial management shared services to other Federal agencies external to itself. USDA's corporate financial management systems include the Financial Management Service Center (FMS) and Pegasys Financial Services (Pegasys). FMS has the ability to provide shared services to external agencies, but currently serves only internal (USDA) clients. Pegasys currently has 36 clients external to USDA and is the only division currently providing shared services under USDA. Twenty-eight of Pegasys' 36 clients are Federal agencies subject to the DATA Act; however, OMB waived the DATA Act reporting requirements for 2 of those 28 clients (see exhibit B). Of the 26 clients subject to DATA Act reporting requirements, only 1 (Defense Nuclear Facilities Safety Board) has contracted with Pegasys to provide DATA Act reporting services.

<sup>8</sup> This information includes data from the Appropriations Account ("File A"), Object Class and Program Activity ("File B"), and Award Financial ("File C") files.

According to the DATA Act Playbook, the first four steps of the eight-step plan are to (1) organize the team, (2) review elements, (3) inventory data, and (4) design and strategize. We present, below, a snapshot of the Department's efforts in these four areas.

*Step 1—Organize the team—Create an agency DATA Act work group including impacted communities (e.g., Chief Information Officer, Budget, Accounting, etc.) and identify SAO.*

The goal of this step is to organize the team.

USDA's Chief Financial Officer was designated in September 2014 as the SAO to oversee USDA's DATA Act implementation activities. USDA established a DATA Act Points of Contact (POC) Working Group comprised of a POC for each agency and most staff offices who are responsible for coordinating communications with subject matter experts on financial accounting, budget, systems, financial assistance, and procurement matters. OCFO also set up a workgroup for DATA Act implementation. This group is comprised of OCFO staff and contractors in the disciplines of information technology systems, security, data acquisition, data warehouse development, and other related areas.

*Step 2—Review data elements—Review list of DATA Act elements and participate in data definitions standardization.*

The goals of this step are to review the data elements (e.g., Award Description and Awarding Agency Code) and participate in the data element standardization process.

We found that USDA reviewed the DATA Act elements and participated in standardizing data definitions. This included determining how the data definition standards may affect USDA's DATA Act reporting and the reporting of its Federal shared service provider clients. When USDA identified concerns with the data elements, it communicated those concerns to the Department of the Treasury and OMB. This process (review of data elements) is ongoing, as OMB most recently issued additional guidance to Federal agencies on November 4, 2016, for reporting information under the DATA Act.<sup>9</sup>

*Step 3—Inventory data—Perform inventory of agency data and associated business processes.*

The goals of this step are to identify the appropriate source system to extract the needed data (such as award amount and award description) and understand any gaps (e.g., data not captured or data that are difficult to extract).

We noted that the Department of the Treasury used the data definition standards to develop the initial draft of the DATA Act schema in May 2015. The Department of the Treasury revised the schema to address comments from the public and Federal agencies and issued the DATA Act Schema Version 1.0 on April 29, 2016. USDA mapped data

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<sup>9</sup> OMB M-17-04, *Additional Guidance for DATA Act Implementation: Further Requirements for Reporting and Assuring Data Reliability*.

from its agencies' source systems to the DATA Act elements and determined that most of the needed data is currently captured in the Department's three general ledgers. These data also reside in Pegasys for the external agencies for which USDA provides financial services. However, USDA identified two gaps in the data inventory and continues to work on closing the gaps:

1. **Program activity gap.** The program activity gap relates to allocations of administrative expenses for three agencies<sup>10</sup> and represents only 2 percent of all program activity in USDA. As of August 2016 (the scope of this audit), USDA reported that it was working on an alternative<sup>11</sup> to close this gap, that it had sent a request for guidance to OMB on this subject, and that it was waiting for OMB's guidance on this matter.<sup>12</sup>
2. **Federal Award Identification Number (FAIN) entry gap.** The FAIN entry gap relates to capturing and reporting FAIN for 4 of the Department's 26 agencies.<sup>13</sup> For those four agencies, FAIN is not mapped from various fields of the financial system/general ledger to FMFI. According to USDA officials, the process of inserting the new FAIN field in a standardized way is complicated because different agencies store FAIN in different ways, making it difficult to know exactly where certain data fields reside within a bureau's customized system. For temporary resolution of the FAIN issue, the agencies will provide FAIN data while they seek a longer term solution which will require system changes. Once USDA receives a longer term FAIN solution from SAP,<sup>14</sup> the FAIN issue will have a more permanent resolution.

We asked whether the gaps could cause problems with USDA meeting the DATA Act implementation deadline. As of August 2016, OCFO officials said they believed these resolutions would not affect their ability to meet the deadline. However, they recognize the risk of external dependencies impacting their plans.

In addition, as noted above, the Rural Development agencies and the Farm Service Agency have general ledgers independent of FMFI. USDA plans to have those agencies transmit their financial accounting data to FMFI so all reportable DATA Act financial data can be accessed from a single data repository. OCFO established an early working

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<sup>10</sup> The Agricultural Research Service, the Animal and Plant Health Inspection Service, and the National Institute of Food and Agriculture.

<sup>11</sup> USDA identified three anomalies (set aside requirements, program support cost, and supplemental funding) in which budget execution cannot be directly linked to a specific program activity and requested OMB approval to use generic program activity categories for the widest constant application for DATA Act reporting.

<sup>12</sup> Our audit is ongoing and our comprehensive report to be issued in spring 2017 will include updates on the Department's DATA Act implementation.

<sup>13</sup> The Risk Management Agency, Rural Development, the Office of Advocacy and Outreach, and the Grain Inspection, Packers and Stockyards Administration.

<sup>14</sup> SAP is the software company that supports FMFI. Federal enterprise resource planning vendors, such as SAP, waited to start developing key software patches until a stable version of the schema was released. These patches are needed by agencies to facilitate agency data submissions from their existing financial management systems and are planned to be released no later than February 2017.

relationship with the Rural Development agencies and the Farm Service Agency to ensure they are proceeding timely with their implementations and to help them quickly address issues. As of August 2016, USDA reported that OCFO has bi-weekly meetings with the Rural Development agencies and the Farm Service Agency to address issues specific to their particular circumstances in terms of implementing the DATA Act.

OCFO officials stated that Rural Development gave assurance it would be compliant by October 1, 2016.<sup>15</sup> Meanwhile, the Farm Service Agency plans to implement its solution before the May 2017 deadline. Because of the solutions being implemented, OCFO officials do not consider these to be gaps in the USDA data inventory.

*Step 4—Design and strategize—Plan changes (e.g., adding award IDs to financial systems) to systems and business processes to capture data that are complete multi-level (e.g., summary and award detail) fully-linked data.*

There are two main goals in this step: (1) capturing award ID to link financial data to agency management systems and (2) developing a comprehensive implementation plan, including solutions for addressing gaps in agency data. We determined (1) USDA's linking of award ID to agency management systems is difficult, but USDA is implementing an interim solution until system upgrades are completed; and (2) USDA's implementation plan was comprehensive and included solutions for addressing identified data gaps.

In response to the first goal, USDA identified that four USDA agencies do not have FAIN mapped to the Department's general ledger. The agencies are working on short-term solutions to provide FAIN while they seek a longer term solution which will require system changes (see Step 3 above for more specifics).

In response to the second goal, USDA developed one implementation plan for the Department, including all components that are required to be reported for the DATA Act. According to this plan, OCFO will report for all agencies within the Department, and fulfill its reporting requirements. The plan is a living document. USDA's initial implementation plan is dated September 29, 2015, and USDA produced an updated narrative portion on August 15, 2016. The plan specifically addressed solutions for the identified FAIN entry and program activity gaps (see Step 3 above for details). In addition, it includes, but is not limited to, a narrative summarizing steps towards implementation, foreseeable challenges, and a risk mitigation strategy; competing priorities that may affect agency implementation efforts; a timeline that complies with targeted dates within the Playbook and reporting dates within the DATA Act; reasonable cost estimates/budget projections; assignments of responsibility for the completion of each milestone; descriptions of how USDA is engaging its shared service provider clients to establish DATA Act reporting roles and responsibilities; and documentation of

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<sup>15</sup> On October 11, 2016, the Rural Development agencies' point of contact stated that Rural Development is now compliant and that in September 2016 they had tested transmission of the file, to include the FAIN. However, the agencies need funding for a long-term, fully-automated fix.

USDA's communication to the Department of the Treasury and OMB of any identified concerns regarding the implementation of the DATA Act.

In summary, we determined that USDA has taken actions towards implementation of the DATA Act in accordance with Steps 1 through 4 of the Playbook's eight-step implementation plan. Although USDA has identified challenges to successful implementation, it also has identified solutions to address those challenges—in some cases, developing interim manual solutions until permanent automated solutions can be implemented. The Department expects to report DATA Act data by May 2017. Nothing came to our attention to indicate that USDA is not on track to meet the DATA Act requirements. Therefore, we are not making any suggestions or recommendations at this time. OCFO decided that an official written response to the report was not necessary.

## Scope and Methodology

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Our audit covers USDA's implementation of the DATA Act. The planned scope of the audit was USDA's implementation of the DATA Act as of March 31, 2016. Because implementation activities were continuing, we extended our scope through August 2016 to provide a more accurate representation of USDA's ongoing DATA Act implementation.

We conducted our audit of USDA's implementation of the DATA Act at the OCFO office in Washington, D.C., as well as the OCFO office at the National Finance Center, New Orleans, Louisiana. This is an interim report and covers only Steps 1 through 4 of the eight-step agency plan as noted in the Playbook. We are continuing our work on Steps 5 through 8 and plan to issue a comprehensive report (on Steps 1 through 8) in spring 2017.

To accomplish the objectives of the review, we:

- Obtained an understanding of the laws, legislation, directives, and any other regulatory criteria (and guidance) related to USDA's responsibilities to report financial and payment information under the DATA Act.
- Identified the agencies within USDA responsible for implementation of the DATA Act.
- Conducted interviews with the USDA DATA Act implementation teams responsible for the implementation of the DATA Act, including SAO and divisions within USDA responsible for providing Federal shared services.
- Reviewed USDA's efforts and its formal implementation plan.
- Reviewed USDA's analysis of the finalized DATA Act element definitions and USDA's feedback to the Department of the Treasury and OMB regarding the data definitions.
- Reviewed USDA's analysis of the source systems for the data elements and reviewed solutions for addressing gaps in the data and adding the award ID to financial systems.

The IGs and the Government Accountability Office (GAO) play a vital role ensuring accountability and transparency.<sup>16</sup> Because of this responsibility and because the implementation process is ongoing, we stayed abreast of new guidance by participating in Federal Audit Executive Council (FAEC) DATA Act implementation team meetings.<sup>17</sup> We routinely coordinated our work with GAO, the FAEC DATA Act Working Groups, and other Offices of Inspector General that are conducting readiness reviews of their agencies.

Our audit fieldwork began in April 2016 and is ongoing.

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<sup>16</sup> In Sections 6 (a) and (b), the DATA Act requires IGs and the Comptroller General to provide reports to Congress.

<sup>17</sup> FAEC DATA Act implementation team meetings are held monthly. GAO/FAEC DATA Act Consultation Working Group meetings are held bimonthly.

We conducted this performance audit 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.

## Abbreviations

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CIGIE .....	Council of the Inspectors General on Integrity and Efficiency
DATA Act .....	Digital Accountability and Transparency Act of 2014
FAEC.....	Federal Audit Executive Council
FAIN .....	Federal Award Identification Number
FMMI .....	Financial Management Modernization Initiative
GAO .....	Government Accountability Office
IG .....	Inspector General
OCFO .....	Office of the Chief Financial Officer
OIG.....	Office of Inspector General
OMB.....	Office of Management and Budget
Pegasys .....	Pegasys Financial Services
Playbook.....	DATA Act Implementation Playbook Version 1.0
SAO.....	Senior Accountable Official
USDA.....	Department of Agriculture

## Exhibit A: CIGIE's DATA Act Anomaly Letter Submitted to the Senate Committee on Homeland Security and Government Affairs and the House Committee on Oversight and Government Reform

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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

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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

## **Exhibit B: USDA External Clients and Their DATA Act Reporting**

The table below lists the external clients to which USDA provides financial services and shows whether each client is a Federal (Executive Branch) agency subject to the data reporting requirements of the DATA Act.

<b>Count</b>	<b>Client Name</b>	<b>Federal Government Branch</b>	<b>DATA Act Reporting Required</b>
1	Administrative Conference of the United States	Executive	Yes
2	Appalachian Regional Commission—General Fund	Executive	Yes
3	Appraisal Subcommittee	Executive	Yes
4	Christopher Columbus Fellowship Foundation	Executive	Yes
5	Council of the Inspectors General on Integrity and Efficiency	Executive	Yes
6	Defense Nuclear Facilities Safety Board <sup>18</sup>	Executive	Yes
7	Delta Regional Authority	Executive	Yes
8	Federal Election Commission	Executive	Yes
9	Barry Goldwater Scholarship and Excellence in Education Foundation	Executive	Yes
10	Harry S. Truman Scholarship Foundation	Executive	Yes
11	John F. Kennedy Center for the Performing Arts	Executive	Yes
12	James Madison Memorial Fellowship Foundation	Executive	Yes
13	Japan-United States Friendship Commission	Executive	Yes
14	Northern Border Regional Commission	Executive	Yes
15	Privacy and Civil Liberties Oversight Board	Executive	Yes
16	State Justice Institute	Executive	Yes
17	Morris K. Udall and Stewart L. Udall Foundation	Executive	Yes
18	U.S. Commission on Civil Rights	Executive	Yes
19	U.S. Interagency Council on the Homelessness	Executive	Yes
20	U.S. Institute for Environmental Conflict Resolution	Executive	Yes
21	U.S. Institute of Peace	Executive	Yes
22	Vietnam Education Foundation	Executive	Yes
23	U.S. AbilityOne Commission	Executive	Yes
24	Marine Mammal Commission	Executive	Yes
25	National Council on Disability	Executive	Yes
26	U.S. Commission for the Preservation of America's Heritage Abroad	Executive	Yes
27	Eisenhower Exchange Fellowship Program	Executive	No (W)

<sup>18</sup> As of December 13, 2016, the Defense Nuclear Facilities Safety Board is the only client that has contracted with Pegasys for DATA Act reporting.

<b>Count</b>	<b>Client Name</b>	<b>Federal Government Branch</b>	<b>DATA Act Reporting Required</b>
28	NeighborWorks America	Executive	No (W)
29	Dwight D. Eisenhower Memorial Commission	Legislative	No (L)
30	Medicaid and CHIP <sup>19</sup> Payment and Access Commission	Legislative	No (L)
31	Medicare Payment Advisory Commission	Legislative	No (L)
32	John C. Stennis Center for Public Service Leadership	Legislative	No (L)
33	U.S.-China Economic and Security Review Commission	Legislative	No (L)
34	U.S. Nuclear Waste Technical Review Board	Legislative	No (L)
35	United States Commission on International Religious Freedom	Legislative	No (L)
36	World War I Centennial Commission	Legislative	No (L)

(L) = Client is a legislative agency and is not subject to the DATA Act.  
(W) = DATA Act waiver was requested and approved/granted by OMB.

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<sup>19</sup> Children's Health Insurance Program.

## Learn more about USDA OIG

Visit our website: [www.usda.gov/oig/index.htm](http://www.usda.gov/oig/index.htm)

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