

BRIEFLY...

January 19, 2018

THE DEPARTMENT NEEDS TO TAKE ACTION TO IMPROVE THE QUALITY OF ITS DATA ACT SUBMISSIONS

WHY OIG CONDUCTED THE AUDIT

Under the Digital Accountability and Transparency Act of 2014 (DATA Act), it is critical that the Department reports accurate and reliable spending data so taxpayers and policy makers understand how the Department is spending its funds. The Act requires federal agencies to report spending data in accordance with new government-wide data standards developed by the Office of Management and Budget (OMB) and the Department of Treasury (Treasury). The Act also requires the Inspectors General of each federal agency to conduct a review of the agency's DATA Act compliance every two years and report on the completeness, timeliness, accuracy, and quality of the agency's data.

WHAT OIG DID

We conducted a performance audit to assess: (1) the completeness, timeliness, accuracy, and quality of data submitted by the Department for publication on USAspending.gov; and (2) the Department's implementation and use of the Government-wide data standards established by OMB and Treasury.

Our audit covered Fiscal Year 2017 second quarter spending data the Department submitted for publication on USAspending.gov; and the procedures, certifications, documentation, and controls it used in this process.

READ THE FULL REPORT

To view the report, including the scope, methodology, and full agency response, go to: <https://www.oig.dol.gov/public/reports/oa/2018/03-18-001-13-001.pdf>.

WHAT OIG FOUND

The Department effectively implemented and used the Government-wide data standards established by OMB and Treasury, but we identified a number of issues with the overall quality of the spending data it submitted for publication on USAspending.gov. Although the Department reported the data timely, it did not report all the required data elements for 19 percent of the transactions sampled. Seventy-seven percent of these errors occurred because the Department did not include Unique Record Identifiers for transactions when it was required to. This could cause issues when linking financial data with grant data on USAspending.gov.

In addition, 74 percent of the transactions sampled contained an error in one or more data elements. A significant number of errors were caused by the Treasury's DATA Act broker data extraction process. Excluding those errors, 52 percent of the transactions sampled contained inaccurate information. In addition to the errors identified by our sample testing, the Department also reported inaccurate program activity and object class codes for 5 and 7 percent of transactions, respectively, in its File B submission.

These errors in accuracy and completeness occurred because of data entry mistakes, data extraction issues, and weak data validation processes. Until corrected, these control deficiencies will have a negative impact on the quality of the data the Department reports.

WHAT OIG RECOMMENDED

We made eight recommendations to the Principal Deputy Chief Financial Officer to improve the quality of the data the Department reports to USAspending.gov in the future and to strengthen internal controls over its data management processes.

The Department concurred with our recommendations and stated it has implemented additional controls, resulting in fewer errors with each submission.