

**MANAGEMENT RESPONSE**

U.S. Department of Labor


Office of the Chief Financial Officer



Washington, D.C. 20210

December 22, 2017

**MEMORANDUM FOR:** ELLIOT P. LEWIS  
Assistant Inspector General for Audit

**FROM:**  For  
GEOFFREY KENYON  
Principal Deputy Chief Financial Officer

**SUBJECT:** Response to the Office of Inspector General's Audit Report  
Number: 03-18-001-13-001, *The Department Needs to Take Action  
to Improve the Quality of Its DATA Act Submissions*

The Department effectively implemented and reported financial and award data using the Government-wide financial data standards established by Treasury Department and the Office of Management and Budget (OMB). However, we do recognize that there is room to improve in some areas; therefore we will implement measures to address the Office of the Inspector General (OIG) recommendations. Assessing the situation, we believe that we have a number of strong validation processes in place that enabled us to meet the DATA Act reporting deadline. For instance, although broker warnings do not hinder successfully submitting our data, we implemented monitoring procedures to ensure warnings were reviewed by the appropriate parties and the number of errors decreased with each submission. Below you will find the Department's responses to the OIG's eight (8) recommendations.

1. As previously expressed, the Department will not correct the Object Class Code (OCC) and Program Activity Code (PAC) errors identified during the audit due to the level of effort involved in doing so (FY12-FY16). The Department believes that the extent of work required to correct these issues are not of benefit to the American taxpayers. As for 2017 and beyond, we have put measures in place to ensure all new documents have accurate information. Old documents (prior to FY 17) will continue to be reported with existing codes. With regard to the issues the OIG identified in the course of its audit with specific records in the Department's D2 file, the Department will ensure the necessary corrections are made in eGrants to prevent future modifications to the identified grants from having similar reporting issues. The Department will also resubmit these records to correct the information shown on USASpending.gov for the identified grants by March 31, 2018.
2. The Department is currently working with the Shared Service Provider (SSP) to research and implement a process to report Unique Record Identifiers (URIs) in File C for transactions

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that do not have a unique combination of Federal Assistance Identification Number (FAIN) and modification numbers.

3. The Department will develop a more formalized process for providing broker warning reports to the appropriate agencies for review and response by predetermined due dates. The Department will have agencies certify that all appropriate corrections have been made within the source systems, to the extent such corrections are possible.
4. The Department will provide guidance/training to Contracting Officers to ensure that the signed date on the Federal Procurement Data System – Next Generation (FPDS-NG), award document, and within the Acquisition Management System (AMS), all agree.
5. As of May 2017, the Department has provided training to Grants Management Specialists on how to review the information that is provided by the grant applicant (which is imported into eGrants from grants.gov), and to verify the accuracy of this information and/or correct it prior to a grant award made.
6. As it relates to DATA Act reporting, the Department will ensure that adequate documentation is maintained for data quality reviews conducted.
7. The Department is currently manually adjusting the extract file to address the Catalog of Federal Domestic Assistance (CFDA) number issue. A revision to the script is currently in process with an anticipated completion date of March 31, 2018.
8. The Department currently monitors and will continue to monitor new transactions for appropriate OCCs and PACs. The SSP will be providing a monthly report of invalid OCCs and PACs for FY 2017 and FY 2018 Treasury Appropriation Fund Symbol (TAFS) to ensure compliance. Older TAFS will be eliminated as they are canceled.

If you have any further questions, or require additional information on the Department's efforts to improve DATA Act Submissions, please contact Kevin Brown at (202) 693-4488.