



**U.S. Environmental Protection Agency
Office of Inspector General**

17-P-0050
December 2, 2016

At a Glance

Why We Did This Review

We performed this audit to gain an understanding of the processes, systems and controls that the U.S. Environmental Protection Agency (EPA) has implemented, or plans to implement, to report financial and payment data in accordance with the requirements of the Digital Accountability and Transparency Act of 2014 (DATA Act); and to provide recommendations on how to improve the likelihood of compliance with the requirements of the DATA Act prior to full implementation.

The Council of the Inspectors General on Integrity and Efficiency encouraged the Inspector General community to undertake DATA Act readiness reviews at their respective agencies.

The Office of Technology Solutions in the EPA's Office of the Chief Financial Officer oversees EPA implementation of the DATA Act.

This report addresses the following EPA goal or cross-agency strategy:

- *Embracing EPA as a high-performing organization.*

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Status of EPA's Implementation of the DATA Act

What We Found

We found that the EPA has taken steps to implement the DATA Act. The EPA plans to go live in May 2017 using partial data and a phased-in approach to comply with the key legislative milestone.

The EPA plans to implement the DATA Act with partial data in May 2017 to comply with the act.

The EPA is following the U.S. Office of Management and Budget's and U.S. Department of the Treasury's eight-step DATA Act implementation strategy. Regarding the progress on these steps, the EPA:

- Established a DATA Act work group with the right mix of personnel needed to oversee implementation of the act.
- Performed a review of the data elements, and determined where the data will be extracted in the EPA's systems.
- Documented an initial inventory of EPA data elements and systems against data elements.

The EPA is currently in Step 4, Design & Strategize, and Step 5, Prepare Data for Submission to the Broker, and plans to complete Steps 6 through 8—Test Broker Implementation, Update Systems, and Submit [partial] Data—in May 2017.

The EPA identified key risks to the DATA Act implementation, such as linking award identification among the EPA's financial and procurement systems; submitting complete data files to Treasury; timing differences, data inconsistencies and reconciling data between the EPA internal and external systems; and funding to support the consolidation and preparation of agency data for reporting under the DATA Act. The EPA has identified mitigations to address these risks.

Agency Response and Office of Inspector General Evaluation

The agency submitted an updated DATA Act Implementation Plan to the U.S. Office of Management and Budget and U.S. Department of the Treasury on August 11, 2016, that outlines the EPA's approach to implement the DATA Act reporting requirements in May 2017. Since that implementation plan is designed for the EPA to meet the statutory deadline with a partial data submission, we have no recommendations.