



U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
Washington, D.C. 20507

Office of
Inspector General

March 30, 2017

MEMORANDUM

TO: Victoria A. Lipnic
Acting Chair

FROM: Milton A. Mayo, Jr.
Inspector General

A handwritten signature in black ink, appearing to read "Milton Mayo, Jr.", written over the printed name.

SUBJECT: Transmittal of Digital Accountability Transparency Act (DATA Act)
Readiness Review Report (OIG Report No. 2017-03-AOIG)

Attached is the Final Report on the Office of Inspector General's DATA Act Readiness Review.

Our review focused on EEOC efforts to complete the first four steps of the DATA Act Implementation Playbook.

Our review determined that EEOC is on track to meet the reporting requirements of the Digital Accountability and Transparency Act. We did include three suggestions for management's consideration. Also we have included management's comments in our report.

If you have any questions or require additional information please contact Willie Eggleston, OIG Senior Auditor, at extension 4372.

cc:

Germaine Roseboro, Chief Financial Officer

Raj Mohan, Director of Finance and Systems Services Division

Cynthia Pierre, Chief Operating Officer

Mona Papillon, Deputy Chief Operating Officer

Jim Paretti, Special Assistant

**U.S. Equal Employment Opportunity
Commission**

Office of Inspector General

DATA ACT READINESS REVIEW REPORT

Background

The Digital Accountability and Transparency Act of 2014 (The DATA Act), P.L. No. 113-101, was enacted in 2014 and among other things, requires Federal agencies report financial and payment data in accordance with data standards established by the Department of Treasury (Treasury) and the Office of Management and Budget (OMB). Data from agencies will be displayed on a website available to taxpayers and policy makers. Inspectors General are required under the DATA Act to review statistical samples of the data submitted by their agency and report on the completeness, timeliness, quality and accuracy of the data sampled and the use of the data standards by the agency.

In accordance with the Act, the first sets of IG reports were originally due to Congress in November 2016. However, agencies are not required to submit spending data in compliance with the Act until May 2017. As a result of the reporting date anomalies, the Council of Inspectors General on Integrity and Efficiency (CIGIE) communicated with Congress and it was agreed that Inspectors General will submit their first reports in November 2017, a 1-year delay from the due date in the statute and subsequent reports are required to be submitted on a 2-year cycle. Inspectors General are encouraged to engage their agencies to obtain an understanding of agency processes, systems, and controls and to determine steps they are taking or planning on taking to meet the requirements of the DATA Act.

In May 2015, the OMB and Treasury issued, OMB Memorandum M-15-12, *Increasing Transparency of Federal Spending by Making Federal Spending Data Accessible, Searchable and Reliable* and *The Data Act Implementation Playbook*. The DATA Act Implementation Playbook identifies eight steps agencies are to take to comply with the DATA Act. These include:

1. Organize team (Chief Information Officer, Budget, Accounting, etc.) and identify a Senior Accountable Officer
2. Review list of DATA Act elements and participate in data definition standardization
3. Inventory Agency data associated with business processes

4. Design and Strategize including planning changes to systems and business processes to capture multi-level data (e.g. summary and detail) and prepare estimates for FY 2017 budget projections
5. Execute Broker – Implement system changes and extract data (mapping of data from agency schema to the DATA Act schema)
6. Test Broker Implementation (test outputs to ensure data is valid)
7. Update Systems (establish links between programs and financial data)
8. Submission of Data (update and refine process)

Objective

The objective of our review was to gain an understanding of the processes, systems, and controls which the EEOC has implemented, or plans to implement, to report Federal agency expenditures and linking Federal contract, loan, and grant spending information in accordance with the requirements of the DATA Act.

Scope and Methodology

We conducted interviews with the EEOC's DATA Act Senior Accountable Official (SAO) and Office of the Chief Financial Officer (OCFO) personnel to obtain an understanding of the agency's DATA Act governance structure, coordination between EEOC and its Federal Shared Service Provider (FSSP), the U.S. Department of Interior (DOI), Interior Business Center (IBC). We reviewed EEOC's FSSP's processes, and controls planned for implementation of the DATA Act. Additionally, we communicated with the DOI Office of Inspector General (OIG) to discuss the results of their DATA Act Readiness Review of IBC.

Our fieldwork was conducted from November 2016 through January 2017.

Results
Overall Conclusion

The EEOC is heavily dependent on its FSSP, IBC, for its Data Act implementation and reporting. EEOC has performed some of the recommended steps from the DATA Act Playbook and has collaborated with IBC to ensure the accuracy and completeness of data to be reported on behalf of EEOC. The four steps that EEOC performed were: Organize team, Review Elements, Inventory Data, and Design and Strategize. The EEOC needs to specifically document roles and responsibilities between the EEOC and IBC. Additionally, EEOC should develop a comprehensive implementation plan at the agency level even if it is relying on its FSSP to report DATA Act information on its behalf. Though it appears that IBC is on track in meeting DATA Act reporting requirements by May 2017, according to a report issued by the DOI’s OIG in December 2016, EEOC has the ultimate responsibility of ensuring the accuracy, quality, completeness, and timeliness of the data reported on its behalf.

EEOC’s DATA Act Implementation Plan/Process

EEOC is heavily dependent on IBC for system configuration setup and testing of files and data elements. We reviewed EEOC’s compliance with the first 4 steps of the Data Act Playbook since the remaining 4 steps were in the process of being completed by IBC. The remaining steps will be reviewed along with EEOC data reported by DOI in our report due in November 2017. We used a stop light approach for assessing key steps of the four applicable steps identified in the DATA Act Playbook (i.e. Green-Action Taken by Agency, Yellow-In Progress, and Red-No Action Taken by Agency).

Step 1-Organize Team

Task	EEOC	IBC
1-1 Senior Accountable Official (SAO) Identified	The SAO for EEOC is the Chief Financial Officer. The SAO has participated in government wide DATA Act updates via teleconference provided by both IBC and the U.S. Treasury DATA Act Project	N/A

	Management Office.	
1-2 DATA Act Workgroup	The Agency did not establish a DATA Act workgroup of subject matter experts as suggested in the DATA Act Playbook. EEOC staffers involved in collaborating with IBC are all from the OCFO. Additionally, there is no representative from EEOC serving on the IBC workgroup.	N/A
1-3 Key Implementation Milestones, Tracking, Roles and Responsibilities	The Agency identified agency specific milestones relating to DATA Act implementation.	IBC in its Implementation Plan notes that they will be in partnership with their customers on all aspects of the DATA Act.
1-4 Document Role of IBC	EEOC documented agency specific responsibilities versus IBC responsibilities.	EEOC is one of eight agencies where IBC will be reporting DATA Act information on their behalf.

Step 2-Review Standard DATA Element Definitions

Task	EEOC	IBC
2-1 Review List of DATA Act Elements	EEOC collaborated with IBC in reviewing and discussing the DATA Act Elements.	IBC will ensure a clear understanding of each element and how that element relates to their customers' business operations.
2-2 Participate in DATA Act Standardization through participation in Federal groups in the Federal community to identify challenges concerning DATA Act requirements	The SAO participated in government wide DATA Act updates via teleconference provided by Treasury's DATA Act Project Management Office and the IBC that addressed DATA Act challenges.	N/A

Step 3-Perform Inventory of Agency Data and Associated Business Process

Task	EEOC	IBC
3-1 Create inventory of agency data and associated business processes and trace how DATA Act elements are used	The Agency identified standardized elements to assist IBC in identifying potential gaps. EEOC created an inventory of agency data and business processes tracing how the DATA Act elements are used or identify the appropriate source system to extract needed data and identify gaps.	IBC created an inventory list for their customers to identify standardized elements. IBC is analyzing where and how these elements are currently used and if there are any gaps.

Step 4-Design and Strategize

Task	EEOC	IBC
4-1 Capture Award ID to link financial data to agency management systems	EEOC collaborated with IBC in capturing Award ID to link financial data to agency management systems.	N/A
4-2 Develop a comprehensive implementation plan	EEOC has not developed a comprehensive implementation plan as suggested by the DATA Act Playbook. Among the tasks to be included in the plan are descriptions of the DATA Act planning process, timelines, and solutions for addressing gaps in agency data, challenges, and risks.	IBC has a DATA Act Implementation Plan.

Department of Interior's Data Act Implementation Plan/Process on Behalf of EEOC

The DOI's OIG issued its Independent Report on the DATA Act Readiness Review of IBC in December 2016. The DOI Inspector General concluded that IBC was on track in meeting the DATA Act May 2017 deadline. Additionally, we contacted DOI OIG staff and confirmed that DOI would be reporting DATA Act information on behalf of EEOC.

EEOC's DATA Act Readiness for the future IG Reviews

IBC will be responsible for DATA Act implementation which includes getting all the system configurations setup and performing tests to ensure the files will include required DATA Act elements. Additionally, IBC will do DATA Act reporting for EEOC and will send the reporting results to EEOC's SAO for certification.

List of Concerns

- EEOC's SAO did not establish a DATA Act workgroup composed of members from across the organization as suggested by the DATA Act Playbook. The purpose of a workgroup is to determine key milestones, governance structure, and roles and responsibilities of people and offices within the agency. During our fieldwork, we noted instances where the SAO and OCFO personnel could not confirm the extent of agency involvement in various aspects of the DATA Act implementation. OCFO would contact other staff members working in other locations and or reach out to IBC asking them to identify who at EEOC was involved in collaborating with DOI to ensure necessary information was provided. If a DATA Act workgroup had been developed, it would have been easier for the SAO to identify what steps EEOC staff had participated in and the roles and responsibilities of the staff. Further, documenting the process used provides an audit trail for the future and may support any succession planning efforts.
- EEOC did not document the roles and responsibilities between EEOC and IBC. During our fieldwork, EEOC was not aware and could not produce a specific listing of the responsibilities that DOI would perform on behalf of EEOC. After our questioning, EEOC reached out to DOI by email and obtained an understanding of the shared responsibilities. Since reaching out to DOI to gain an

understanding of the shared responsibilities, EEOC has created standard operating procedures detailing the shared responsibilities.

- EEOC did not prepare a DATA Act Implementation Plan which serves as a roadmap or project plan in ensuring implementation at the agency level. EEOC is relying on IBC's implementation plan.

Suggestions for Management

The Office of Inspector General suggests the following:

1-1 The EEOC's SAO establish a workgroup in accordance with the DATA Act Playbook to provide oversight of the DATA Act implementation.

OCFO Response: We agree that EEOC does not have a formal workgroup. However, the Office of the Chief Financial Officer (OCFO) has a team/informal workgroup that include the CFO, Systems Accountant, Accountants, Acquisitions program specialists, and DRMs. We have been working with the Department of Interior/Interior Business Center (IBC) on the DATA Act. As you know, the Acquisitions, Budget and Financial/Accounting staff report to the CFO. This structure is uncommon in the 24 CFO Act agencies. Therefore, a formal workgroup for these agencies is mandatory since it would facilitate communication, coordination, and oversight among subject matter experts from different chains of command. A workgroup for them makes for smoother implementation of any system programming changes required for separate interfaced systems where the systems owners are not the same. EEOC is fortunate to have the financial and acquisitions systems integrated in Oracle Federal Financials (OFF). The CFO is the OFF system owner.

Many guidance issued by Treasury and OMB, is intended for the CFO Act agencies. They expect the small agencies to comply; however, they understand that resources are limited and that not all steps/processes will be followed. We believe that EEOC met the intent of the requirement in the Playbook.

OIG Conclusion: We still believe that establishing a DATA Act workgroup would be beneficial to the EEOC. The purpose of a workgroup is to determine key milestones, governance structure, and roles and responsibilities of people and offices within the agency. It will help strengthen project management over DATA Act implementation efforts and adequately document project activities, key decision, and progress monitoring.

1-4The SAO fully documented the specific roles between the EEOC and its shared service provider, DOI-IBC. Also, EEOC should continue to work closely with DOI-IBC staying abreast of progress and any challenges that may arise prior to the May 2017 reporting date to ensure that the deadline is met.

OCFO Response: We agree that the responsibilities of the CFO and IBC were not documented in writing. As noted, prior to issuance of this report, a written procedure was prepared documenting such. However, we disagree that the Agency did not create an inventory of agency data and business processes tracing how the DATA Act elements are used or identify the appropriate source system to extract needed data and identify gaps. During FY 2015, EEOC converted to the IBC instance of OFF. As part of the systems implementation effort, we reviewed the agency data and business processes mapping them to the Data Act elements and identifying possible gaps.

Conclusion: We Concur. OCFO did create standard operating procedures detailing the shared responsibilities between the Agency and IBC, as well as, created an inventory of the agency data and business processes. We requested but did not receive support that the agency had an inventory of agency data and had traced business processes to DATA Act elements until the receipt of the CFO's response to our draft report. Had the SAO developed a workgroup and documented DATA Act steps planned and completed, we believe this information could have been provided during our initial discussions.

4-2The EEOC also should prepare an Implementation Plan in accordance with the DATA Act Playbook.

OCFO Response: We agree that OCFO has not prepared an implementation plan; however, a plan was prepared by our shared service provider (IBC) for our review and concurrence. The IBC plan was submitted to OMB and Treasury as required. In addition, OCFO historically has used its shared service provider's plans for any systems implementation efforts. If we disagree, have questions or believe that further information is required on the plan, we communicate that to the provider. This minimizes duplicate efforts.

Conclusion: We still believe that an internal EEOC DATA Act implementation plan that supports the IBC implementation plan would be beneficial. Documenting the steps required and performed by EEOC staff will ensure that an audit trail exists that can be followed in required future DATA Act reporting efforts. Also, we remind the OCFO that the DATA Act reporting is concerned with the accuracy and completeness of data available to the public rather than system implementation.



U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
Washington, D.C. 20507

March 17, 2017

Office of the Chief Financial Officer

MEMORANDUM

TO: Milton A. Mayo, Jr.
Inspector General

A handwritten signature in blue ink that reads "Germaine P. Roseboro".

FROM: Germaine P. Roseboro
Chief Financial Officer

SUBJECT: Response to the OIG Report No. 2017-03-AOIG

Below is our response to the OIG Report No. 2017-03-AOIG dated March 10, 2017.

IG: The EEOC's SAO establish a workgroup of Subject Matter Experts in accordance with the DATA Act Playbook to provide oversight of the DATA Act implementation.

OCFO Response: We agree that EEOC does not have a formal workgroup. However, the Office of the Chief Financial Officer (OCFO) has a team/informal workgroup that include the CFO, Systems Accountant, Accountants, Acquisitions program specialists, and DRMs. We have been working with the Department of Interior/Interior Business Center (IBC) on the DATA Act. As you know, the Acquisitions, Budget and Financial/Accounting staff report to the CFO. This structure is uncommon in the 24 CFO Act agencies. Therefore, a formal workgroup for these agencies is mandatory since it would facilitate communication, coordination, and oversight among subject matter experts from different chains of command. A workgroup for them makes for smoother implementation of any system programming changes required for separate interfaced systems where the systems owners are not the same. EEOC is fortunate to have the financial and acquisitions systems integrated in Oracle Federal Financials (OFF). The CFO is the OFF system owner.

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IG: The SAO fully document the specific roles between the EEOC and its shared service provider, DOI-IBC. Also, EEOC should continue to work closely with DOI-IBC staying abreast of progress and any challenges that may arise prior to the May 2017 reporting date to ensure that the deadline is met.

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Attached is a timeline for your information.

Attachment

ATTACHMENT

THE TIMELINE:

Steps	Task Name	Begin	End	Agency
1	Organizational Change Management	1/5/2015	5/2/2017	EEOC/IBC
2	Review Elements	1/5/2015	9/29/2015	EEOC/IBC
3	Inventory Data	7/13/2015	6/30/2016	EEOC/IBC
	Build Inventory List	1/5/2015	9/29/2015	EEOC/IBC
	Map to DATA Act Schema	8/3/2015	11/18/2015	EEOC/IBC
	Final requirements - Update mapping	4/29/2016	6/30/2016	EEOC/IBC
4	Design and Strategize	6/22/2016	6/22/2016	IBC
	Finalize Vendor Solutions	6/22/2016	6/22/2016	IBC
5	Prepare Data for Submission to the Broker	8/1/2016	3/3/2017	EEOC/IBC
	Unique Award ID - Deliver from Oracle (patch)	8/1/2016	8/31/2016	EEOC/IBC
	Configuration Updates - Deliver from Oracle (patch)	10/3/2016	11/30/2016	EEOC/IBC
	File A, B, C Data Extract - Deliver from Oracle (patch)	1/2/2017	1/31/2017	EEOC/IBC
	Linking Financial and Management System with Award ID	9/1/2016	9/30/2016	EEOC/IBC
	Configuration Updates	11/1/2016	12/30/2016	IBC
	File A, B, C - Extract Development	2/1/2017	3/3/2017	IBC
	Establish Connectivity with Data Act Broker	10/4/2016	12/30/2016	IBC
6	Test Broker Implementation	8/1/2016	4/14/2017	EEOC/IBC
	Test preparation	8/1/2016	3/3/2017	EEOC/IBC
	Unit Testing	11/1/2016	12/30/2016	EEOC/IBC
	Integration Testing	3/6/2017	3/31/2017	IBC
	Acceptance Testing	4/3/2017	4/14/2017	EEOC/IBC
7	Update Systems	4/17/2017	5/5/2017	IBC
	Update for File A, B and C	4/17/2017	5/5/2017	IBC
8	Submit Data	5/8/2017	5/12/2017	EEOC/IBC
	Submit File A, B and C	5/8/2017	5/12/2017	EEOC/IBC
9	Monitor, Control and Enhance	5/15/2017	9/29/2017	IBC