



November 8, 2017

MEMORANDUM FOR: Corrine Eilo
Chief Financial Officer
Denali Commission

A handwritten signature in black ink, reading "Mark Zabarsky", is positioned below the recipient information.

FROM: Mark H. Zabarsky
Principal Assistant Inspector General for Audit and Evaluation
U.S. Department of Commerce

SUBJECT: *Denali Commission Compliance with DATA Act Requirements*
Final Report No. DCOIG-18-001

I am pleased to provide you with the attached audit report in which SB & Company, LLC (SBC), an independent public accounting firm, presented an opinion on the Denali Commission's compliance with the Digital Accountability and Transparency Act of 2014 (DATA Act).¹ SBC planned and performed the examination to obtain reasonable assurance about

- completeness, timeliness, quality, and accuracy of the fiscal year (FY) 2017, second quarter financial and award data submitted for publication on USASpending.gov, and
- the Denali Commission's implementation and use of the government-wide financial data standards established by the Office of Management and Budget and U.S. Department of the Treasury.

In SBC's opinion, the Denali Commission's second quarter submission for FY 2017 is presented in accordance with the provisions of the DATA Act, in all material respects. SBC performed the examination in accordance with attestation standards established by the American Institute of Certified Public Accountants and in U.S. generally accepted government auditing standards.

My office oversaw the audit performance, including the review of SBC's report and related documentation and inquiries of its representatives.² Our review disclosed no instances where SBC did not comply, in all material respects, with U.S. generally accepted government auditing standards. SBC is solely responsible for the attached examination report, dated October 12,

¹ 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 Inspector General (IG) reports were due to Congress in November 2016; however, federal agencies were not required to report spending data until May 2017. To address this reporting date anomaly, the IGs are providing Congress with their first required reports on November 8, 2017, a 1-year delay from the statutory due date, with two subsequent reports each following on a 2-year cycle. On December 22, 2015, CIGIE's chair issued a letter memorializing the strategy for dealing with the IG reporting date anomaly and communicated it to the Senate Committee on Homeland Security and Governmental Affairs and the House Committee on Oversight and Government Reform.

² The Department of Commerce Office of Inspector General provides oversight services to the Denali Commission.

2017, and the conclusions expressed in it.

We appreciate the cooperation and courtesies the Denali Commission extended to both SBC and my office during the audit. If you wish to discuss the contents of this report, please call me at (202) 482-3884.

Attachment

cc: Peggy E. Gustafson, Inspector General, U.S. Department of Commerce



SB & COMPANY, LLC
KNOWLEDGE • QUALITY • CLIENT SERVICE

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Office of the Inspector General:

We have examined the Denali Commission's compliance with the Digital Accountability and Transparency Act of 2014 (DATA Act) for the fiscal year 2017 second quarter. The Denali Commission's management is responsible for the (1) completeness, timeliness, quality, and accuracy of fiscal year 2017, second quarter financial and award DATA submitted for publication on USASpending.gov and (2) the Denali Commission's implementation and use of the Government-wide financial DATA standards established by the Office of Management and Budget (OMB) and Department of Treasury (Treasury) in accordance with the DATA Act. Our responsibility is to express an opinion on the Denali Commission's compliance with the DATA Act based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to examination engagements contained in *Government Auditing Standards*. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Denali Commission complied with the provisions of the DATA Act for the fiscal year 2017 second quarter, in all material respects. An examination involves performing procedures to obtain evidence about (1) completeness, timeliness, quality, and accuracy of fiscal year 2017, second quarter financial and award DATA submitted for publication on USASpending.gov and (2) the Denali Commission's implementation and use of the Government-wide financial DATA standards established by OMB and Treasury. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the information submitted for the DATA Act for the fiscal year 2017, second quarter, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the information submitted by the Denali Commission for the fiscal year 2017 second quarter, is presented in accordance with the provisions of the DATA Act, in all material respects.

Washington, D.C.
October 12, 2017

SB & Company, LLC

DENALI COMMISSION

Schedule of Findings and Results For the Fiscal Year 2017 Second Quarter

Section I - Summary of Independent Public Accountant's Results

DATA Act Results

	<u>Completeness</u>	<u>Timeliness</u>	<u>Quality</u>	<u>Accuracy</u>	<u>Implementation/Use of Gov't Wide System</u>
Error rate	None	None	None	None	None
Sampling error (margin of error)	10%	10%	10%	10%	10%

DATA Act Assessment

Results

Internal control over source systems used to report financial and award data for publication on USASpending.gov:

Material weakness identified?	No
Significant deficiency identified that is not considered to be a material weakness?	No
Noncompliance material to the financial statement noted?	No

Internal controls in place over data management and processes used to report financial and award data to USASpending.gov:

Material weakness identified?	No
Significant deficiency identified that is not considered to be a material weakness?	No
Noncompliance material to the financial statement noted?	No

Identified control deficiencies that may adversely impact the completeness, timeliness, quality, and accuracy of the data submitted?

None noted

Opinion issued related to the following:

Completeness, timeliness, quality, and accuracy of the data sampled by the Federal agency, IG

Unmodified

Implementation and used of the Government-wide financial data standards by the Federal agency

Unmodified

DENALI COMMISSION

**Schedule of Findings and Results
For the Fiscal Year 2017 Second Quarter**

Section II – Financial Statement Findings

None noted

Section III – DATA Act Findings

None noted