

Office of Inspector General

FY 2017

President's Budget

February 9, 2016

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Section 1 – Purpose

1A – Mission Statement

The mission of the Office of Inspector General (OIG) is to promote the integrity, efficiency, and effectiveness in programs and operations within the Department of the Treasury and across the OIG’s jurisdiction.

1.1 – Appropriations Detail Table

Dollars in Thousands

Office of Inspector General Appropriated Resources	FY 2015		FY 2016		FY 2017		FY 2016 to FY 2017			
	Enacted		Enacted		Request		\$ Change		% Change	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
New Appropriated Resources:										
Audit	163	28,275	163	28,304	163	29,605	0	1,301	0.00%	4.60%
Investigations	31	7,076	31	7,112	31	7,439	0	327	0.00%	4.60%
Subtotal New Appropriated Resources	194	\$35,351	194	\$35,416	194	\$37,044	0	\$1,628	0.00%	4.60%
Other Resources:										
Reimbursables	19	13,000	19	13,000	19	10,500	0	(2,500)	0.00%	-19.23%
Subtotal Other Resources	19	\$13,000	19	\$13,000	19	\$10,500	0	(\$2,500)	0.00%	-19.23%
Total Budgetary Resources	213	\$48,351	213	\$48,416	213	\$47,544	0	(\$872)	0.00%	-1.80%

1B – Vision, Priorities, and Context

The OIG performs audits and investigations of Treasury programs and operations under its jurisdiction, except for those of the Internal Revenue Service (IRS) and the Troubled Asset Relief Program (TARP), and keeps the Secretary of the Treasury and Congress fully informed of problems, deficiencies, and the need for corrective action. By statute, the OIG also performs oversight of the Gulf Coast Ecosystem Restoration Council, an independent Federal agency.

The OIG has four components: (1) Office of Audit, (2) Office of Investigations, (3) Office of Counsel, and (4) Office of Management. The OIG is headquartered in Washington, D.C., and has an audit office in Boston, Massachusetts.

-The Office of Audit, under the leadership of the Assistant Inspector General for Audit, performs and supervises audits, attestation engagements, and evaluations. The Assistant Inspector General for Audit has three deputies. One is primarily responsible for financial sector audits; one is primarily responsible for financial management, terrorist financing, and intelligence audits; and one is primarily responsible for cyber security and financial assistance audits. The Assistant Inspector General for Audit also serves as the Special Deputy Inspector General for Small Business Lending Fund (SBLF) Program Oversight.

-The Office of Investigations, under the leadership of the Assistant Inspector General for Investigations, performs investigations and conducts initiatives to detect and prevent fraud, waste, and abuse in Treasury programs and operations under OIG jurisdiction. It also manages the Treasury OIG Hotline to facilitate reporting of allegations involving Treasury programs and activities.

-The Office of Counsel, under the leadership of the Counsel to the Inspector General, provides legal advice to the Inspector General and all OIG components. The office represents the OIG, or coordinates such representation, in all legal proceedings and provides a variety of

legal services including (1) processing all Freedom of Information Act and other requests for information about government employees; (2) conducting ethics training; (3) ensuring compliance with financial disclosure requirements; (4) reviewing proposed legislation and regulations; (5) reviewing administrative subpoena requests; and (6) preparing for the Inspector General's signature, cease and desist letters to be sent to persons and entities misusing the Treasury seal and name.

-The Office of Management, under the leadership of the Assistant Inspector General for Management, provides services to maintain the OIG administrative infrastructure.

Through the audit and investigative functions, the OIG supports the Department of the Treasury's Fiscal Year (FY) 2014-2017 Strategic Plan goals, which are: Goal 1: Promote domestic economic growth and stability while continuing reforms of the financial system; Goal 2: Enhance U.S. competitiveness and job creation, and promote international financial stability and more balanced global growth; Goal 3: Fairly and effectively reform and modernize Federal financial management, accounting, and tax systems; Goal 4: Safeguard the financial system and use financial measures to counter national security threats; and Goal 5: Create a 21st-century approach to government by improving efficiency, effectiveness, and customer interaction. In support of Treasury's Strategic Plan, the OIG established the following strategic goals.

- Promote the integrity, efficiency, and effectiveness of programs and operations across Treasury OIG's jurisdictional boundaries through audits and investigations
- Proactively support and strengthen the ability of programs across Treasury OIG's jurisdictional boundaries to identify challenges and manage risks
- Fully and currently inform stakeholders of Treasury OIG findings, recommendations, investigative results, and priorities
- Enhance, support, and sustain a workforce and strengthen internal operations to achieve the Treasury OIG mission, vision, and strategic goals

The FY 2017 request for the OIG will be used to fund critical audit, investigative, and mission support activities to meet the requirements of the Inspector General Act of 1978, and other statutes including, but not limited to the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank); Federal Information Security Modernization Act (FISMA); Government Management Reform Act; Improper Payments Elimination and Recovery Act; Digital Accountability and Transparency Act of 2014 (DATA Act); Federal Deposit Insurance Act, Small Business Jobs Act of 2010; and Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act). Specific mandates include audits of the Department's financial statements, the Department's compliance with FISMA, failed insured depository institutions regulated by Treasury, and spending data submitted by the Department to USAspending.gov. With the resources available after mandated requirements are met, the OIG will conduct audits of the Department's highest risk programs and operations, and respond to stakeholder requests for specific work as appropriate. Some of the Department's highest risk programs and operations include: (1) Cyber Threats, (2) Management of Treasury's Authorities Intended to Support and Improve the Economy, (3) Efforts to Promote Spending Transparency and to Prevent and Detect Improper

Payments, (4) Anti-Money Laundering and Terrorist Financing/Bank Secrecy Act Enforcement, and (5) Gulf Coast Restoration Trust Fund Administration.

Cyber Threats

Cybersecurity represents one of the most serious challenges facing the Nation today. A reliable critical infrastructure, including information systems and networks, is vital to our national security and economic stability. Cyber threats are a persistent concern as Treasury's information systems are critical to the core functions of government and the Nation's financial infrastructure. As cyber threats continue to evolve and become more sophisticated and subtle, they pose an ongoing challenge for Treasury to fortify and safeguard its internal systems and operations and the financial sector it oversees.

Attackers frequently exploit vulnerable networks in a string of trusted connections to gain access to government systems. Cyber-attacks against Federal agencies are increasing in frequency and severity. For example, the recent cyber-attacks against the Office of Personnel Management's networks allowed intruders access to personal data on tens of millions of people, including millions with security clearances.

Effective public-private coordination continues to be required to address the cyber threat against the Nation's critical infrastructure. In this regard, Treasury is looked upon to provide effective leadership to financial institutions in particular, and the financial sector in general, to strengthen awareness and preparedness against cyber threats.

Management of Treasury's Authorities Intended to Support and Improve the Economy

Congress provided Treasury with broad authorities to address the financial crisis under the Housing and Economic Recovery Act (HERA) and the Emergency Economic Stabilization Act (EESA) enacted in 2008, the American Recovery and Reinvestment Act of 2009 (Recovery Act), and the Small Business Jobs Act of 2010. In response to the call for further financial reform, Congress passed Dodd-Frank in July 2010. While Treasury's program administration under these acts has, for the most part matured, challenges remain in managing these programs and their investments.

This challenge focuses on the administration of the following broad authorities given to Treasury:

- Dodd-Frank established the Financial Stability Oversight Council (FSOC), which is chaired by the Treasury Secretary. FSOC's mission is to identify risks to financial stability that could arise from the activities of large, interconnected financial companies; promote market discipline; and respond to any emerging threats to the financial system.
- The Small Business Jobs Act of 2010 created SBLF within Treasury through which \$4 billion was invested in financial institutions intended to increase the availability of credit to small businesses. It also provided \$1.5 billion to Treasury to allocate to eligible state programs through the State Small Business Credit Initiative (SSBCI). These programs represent key initiatives of the Administration to support job creation by increasing lending to small businesses.
- The Small Business Jobs Act also provided Treasury with authority to guarantee bonds issued for eligible community and economic development activities. As the program administrator, Treasury's Community Development Financial Institutions (CDFI) Fund

experienced challenges in standing up the program, which was eventually established in June 2013. Treasury's CDFI Fund oversees the issuance of the bonds and the use of the bond proceeds by eligible CDFIs to make financing more accessible in underserved communities.

- Under the HERA, Treasury supports the financial solvency of the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) which are under the conservatorship of the Federal Housing Finance Agency. To maintain the positive net worth of these two government sponsored enterprises (GSE), Treasury has invested approximately \$187 billion in senior preferred stock in the two enterprises. While the GSEs have not required additional support since fiscal year 2012, their futures remain uncertain and further assistance may be required. If such support is needed, the current funding capacity available to Fannie Mae is \$117.6 billion and available to Freddie Mac is \$140.5 billion
- The American Recovery and Reinvestment Act of 2009 (Recovery Act) provided Treasury with approximately \$30 billion in non-IRS funding for low-income housing and specified energy properties for which OIG provides oversight. The level of risk involved in this program is evidenced by the fact that our Office of Investigations has several open matters involving program participants.

Efforts to Promote Spending Transparency and to Prevent and Detect Improper Payments

The Digital Accountability and Transparency Act of 2014 (DATA Act) requires the Federal Government to provide consistent, reliable, and useful online data about how it spends taxpayer dollars.

To fulfill its purpose, the DATA Act imposed certain requirements on the Treasury Secretary, the Director of the Office of Management and Budget (OMB), the Inspectors General of each Federal agency, and the Comptroller General of the United States. In brief, the DATA Act required Treasury and OMB to (1) establish Government-wide financial data standards for reporting spending by Federal agencies and entities receiving Federal funds by May 2015; (2) by May 2017, ensure this financial data is accurately posted and displayed on USAspending.gov, or a successor system; and (3) by May 2018, ensure the data standards established are applied to the data made available on the website. Implementing the DATA Act is a complex undertaking requiring a significant level of interagency coordination and cooperation to develop, establish, and apply new financial data standards and to develop new data handling methodologies within a short timeframe.

In light of the continuing problem with improper payments (estimated at \$125 billion, or 4.5 percent of all program outlays, for fiscal year 2014), the Federal Government has intensified efforts to reduce improper payments in major Federal programs. The Do Not Pay Initiative, and the Treasury Bureau of the Fiscal Service's (Fiscal Service) Do Not Pay Business Center, are chief components of efforts designed to prevent and detect improper payments to individuals and entities. With its potential to reduce improper payments, the Do Not Pay Program is a major and important undertaking by Fiscal Service and Treasury.

Anti-Money Laundering and Terrorist Financing/Bank Secrecy Act Enforcement

Preventing criminals and terrorists from using financial networks to sustain their operations and/or launch attacks against the U.S. continues to be a challenge. Treasury's Office of Terrorism and Financial Intelligence (TFI) is dedicated to disrupting the ability of terrorist

organizations to fund their operations. TFI brings together intelligence gathering and analysis, economic sanctions, international cooperation, and private-sector cooperation to identify donors, financiers, and facilitators supporting terrorist organizations, and disrupt their ability to fund such organizations. Enhancing the transparency of the financial system is one of the cornerstones of this effort. Treasury carries out its responsibilities to enhance financial transparency through the laws collectively known as the Bank Secrecy Act (BSA). The Financial Crimes Enforcement Network (FinCEN) is the Treasury bureau responsible for administering BSA, while Treasury's Office of Foreign Assets Control (OFAC) administers U.S. foreign sanction programs. Given the criticality of this challenge to the Department's mission, and notwithstanding the efforts described above, we continue to consider anti-money laundering and combating terrorist financing programs and operations as inherently high-risk.

Gulf Coast Restoration Trust Fund Administration

In response to the Deepwater Horizon oil spill, Congress enacted the RESTORE Act. This law established within Treasury the Gulf Coast Restoration Trust Fund (Trust Fund) and requires Treasury to deposit into the Trust Fund 80 percent of administrative and civil penalties paid by responsible parties pursuant to the Federal Water Pollution Control Act (Clean Water Act). The funds are to be distributed for environmental and economic restoration activities affecting the Gulf Coast States (Alabama, Florida, Louisiana, Mississippi, and Texas). As of December 2015, the Trust Fund received approximately \$816 million from the Federal Government's settlement with the Transocean defendants. In July 2015, BP Exploration & Production Inc. (BPXP), agreed to settle with the Federal Government and the Gulf Coast States resulting in approximately \$4.4 billion plus interest expected to be deposited into the Trust Fund over a 15-year period. Now that a more definitive amount and timing of the money that will flow into the Trust Fund has been determined, Treasury, the Gulf Coast States, and impacted local governments are challenged to meet the intent of the Act within the expected funding levels and timing of payments

In the Investigations operational area, OIG has established four priorities for FY 2017.

Criminal and Serious Employee Misconduct

The OIG Office of Investigation's highest priority is investigating complaints involving alleged criminal and other serious misconduct by Treasury employees. OIG investigates allegations of the general crimes enumerated in Title 18 of the U.S. Code, other federal crimes, alleged violations of the Ethics in Government Act, and allegations of serious misconduct prohibited by the Standards of Ethical Conduct for Employees of the Executive Branch. Several Treasury bureaus and offices have additional rules and regulations relating to ethical standards for their own employees, and OIG also investigates complaints of alleged violations of these rules and regulations.

Fraud Involving Contracts, Grants, Guarantees, and Funds

The OIG Office of Investigations conducts investigations into allegations of fraud and other crimes involving Treasury contracts, grants, loan guarantees, and federal funds, including investigations made in accordance with Sections 1602 and 1603 of the Recovery Act. Such allegations often involve contractors, entities, and individuals who are providing or seeking to provide goods or services to the Department. Office of Investigations receives complaints

alleging criminal or other misconduct from employees, contractors, members of the public, and the Congress.

Financial Programs and Operations Crime

Investigations relating to Treasury financial programs and operations involve issuing licenses, providing benefits, and exercising oversight of U.S. financial institutions; frauds involving improper Federal payments such as those involving Treasury checks and the *Check Forgery Insurance Fund* (“CFIF”); crimes involving the improperly-redistributed benefits of federal government payees; and false claims of any kind that generate inappropriate Federal payments, including federal income tax refunds, Social Security benefits, and Veterans’ Administration payments.

Threats Against Treasury Employees and Facilities

Investigative efforts into threats against Treasury employees and facilities are critical in ensuring safety for the Department. These matters require prompt attention and coordination with federal, state, and local authorities in order to protect those involved.

Treasury Employee and Bureau Impersonation Scams

Investigations relating to scammers who represent themselves as Treasury employees in order to defraud the citizens of the U.S. and other countries by the impersonation of Treasury employees and/or the fraudulent use of the Treasury and Bureau seals. This is a problem that has significantly increased in the last few years. These matters require prompt attention to protect the public and the integrity of the department.

Key Accomplishments and Challenges

In FY 2015, the Office of Audit completed 86 audit products, exceeding the target of 77. The Office also completed all mandated audit products within required timeframes. The audit products identified a number of areas where the Department needs to strengthen its controls. The Office plans to complete 77 audit products in FY 2016 and complete 86 in FY 2017, and to meet all statutory timeframes. In FY 2015 the Office of Investigations exceeded the investigative performance measure, and expects to continue this performance trend in FYs 2016 and 2017. In FY 2015, the Office opened 133 new investigations, closed 70 investigations, referred 27 investigations that substantiated administrative violations against a Treasury employee to the appropriate regulated bureau for action, and referred 142 investigations for criminal prosecution.

Treasury is a complex agency with many programs and operations that are vital to the Nation’s economic and national security. Many of these programs and operations are thinly resourced and OIG is often the only Treasury presence providing on-site verification and quality control. The implementation of newer authorities and regulatory changes brought about by major legislation to address the economic crisis and other events—such as Dodd-Frank, the RESTORE Act, and the DATA Act—continue to evolve. OIG must remain vigilant and have the capacity to provide independent assessments of the Department’s activities to stand up and bring to a mature state new offices and programs. OIG must also be able to respond in an expedient and effective manner to unanticipated and emerging issues of significant impact to the Department.

Office of Inspector General's FY 2017 Budget Request

In accordance with the requirements of Section 6(f)(1) of the Inspector General Act of 1978, the Treasury Inspector General submits the following information relating to the OIG's requested budget for FY 2017:

- The aggregate budget request for the operations of the OIG is \$47,544,000 comprised of \$37,044,000 from direct appropriations, and \$10,500,000 from reimbursable collections;
- The portion of this amount needed for OIG training is \$600,000; and
- The portion of this amount needed to support the Council of Inspectors General on Integrity and Efficiency (CIGIE) is \$111,000.

The amount requested for training satisfies all OIG training needs for FY 2017.

Section 2 – Budget Adjustments and Appropriations Language

2.1 – Budget Adjustments Table

Dollars in Thousands

Office of Inspector General	FTE	Amount
FY 2016 Enacted	194	\$35,416
Changes to Base		
Maintaining Current Levels (MCLs)	0	\$508
Pay-Raise	0	\$269
Pay Annualization	0	\$89
Non-Pay	0	\$150
Subtotal Changes to Base	0	\$508
Total FY 2017 Base	194	\$35,924
Program Changes		
Program Increases	0	\$1,120
DATA Act and Other Audit Workload	0	\$1,120
Subtotal Program Changes	0	\$1,120
Total FY 2017 Request	194	\$37,044

2A – Budget Increases and Decreases Description

Maintaining Current Levels (MCLs) +\$508,000 / +0 FTE

Pay-Raise +\$269,000 / +0 FTE

Funds are requested for the proposed January 2017 pay-raise.

Pay Annualization +\$89,000 / +0 FTE

Funds are requested for annualization of the January 2016 pay-raise.

Non-Pay +\$150,000 / +0 FTE

Funds are requested for non-labor costs such as travel, contracts, rent, and equipment.

Program Increases +\$1,120,000 / +0 FTE

DATA Act and Other Audit Workload +\$1,120,000 / +0 FTE

Funds are requested for anticipated increase in DATA Act and other audit workload.

2.2 Operating Levels Table

Dollars in Thousands

Office of Inspector General Object Classification	FY 2015 Actual	FY 2016 Enacted	FY 2017 Request
11.1 - Full-time permanent	18,000	21,565	21,750
11.3 - Other than full-time permanent	200	200	200
11.5 - Other personnel compensation	500	600	550
11.8 - Special personal services payments	750	875	750
11.9 - Personnel Compensation (Total)	19,450	23,240	23,250
12.0 - Personnel benefits	6,550	5,800	5,900
Total Personnel Compensation and Benefits	\$26,000	\$29,040	\$29,150
21.0 - Travel and transportation of persons	532	550	550
23.1 - Rental payments to GSA	2,000	2,460	435
23.2 - Rental payments to others	460	0	0
23.3 - Communication, utilities, and misc charges	800	1,000	1,000
23.5 - Telecommunication	0	0	0
24.0 - Printing and reproduction	26	26	19
25.2 - Other services	8,000	10,965	12,515
25.3 - Other purchases of goods & serv frm Govt accounts	3,400	3,800	3,300
25.6 - Medical care	50	50	50
25.7 - Operation and maintenance of equip	100	125	125
26.0 - Supplies and materials	100	100	100
31.0 - Equipment	600	300	300
Total Non-Personnel	16,068	19,376	18,394
Subtotal New Appropriated Resources	\$42,068	\$48,416	\$47,544
Budget Activities:			
Audit	34,992	41,304	40,105
Investigations	7,076	7,112	7,439
Total Budgetary Resources	\$42,068	\$48,416	\$47,544
FTE	161	213	213

2B – Appropriations Language and Explanation of Changes

Appropriations Language	Explanation of Changes
<p style="text-align: center;">DEPARTMENT OF THE TREASURY FISCAL SERVICE Federal Funds SALARIES AND EXPENSES</p> <p>For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, [\$35,416,000] \$37,044,000, including hire of passenger motor vehicles; of which not to exceed \$100,000 shall be available for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury; of which up to \$2,800,000, to remain available until September 30, [2017] 2018, shall be for audits and investigations conducted pursuant to section 1608 of the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (33 U.S.C. 1321 note); and of which not to exceed \$1,000 shall be available for official reception and representation expenses]. (Department of the Treasury Appropriations Act, 2016.)</p>	

2C – Legislative Proposals

The OIG has no legislative proposals.

Section 3 – Budget and Performance Plan

3A – Audit

(\$29,605,000 from direct appropriations, and \$10,500,000 from reimbursable resources):

The Office of Audit conducts audits intended to ensure the accountability of resources, protect information, and provide recommendations for improving the integrity, economy, efficiency, and effectiveness of programs and operations under its jurisdiction, which include those of Treasury and the Gulf Coast Ecosystem Restoration Council. The requested funding for FY 2017 is necessary to perform mandated work and maintain an appropriate level of oversight of these programs and operations consistent with the OIG's responsibilities under the Inspector General Act of 1978. In FY 2017, OIG will also continue to provide oversight of Treasury's government-wide role and responsibilities under the DATA Act. Reimbursable funding agreements support financial audits of Treasury and oversight of SBLF and SSBCI programs. SBLF/SSBCI program oversight and expected performance is detailed in the SBLF/SSBCI Program Office budget submission.

Description of Performance:

The Office plans to complete 77 audit products in FY 2016, and 86 in FY 2017. In FY 2015, the Office of Audit completed 86 audit products, exceeding the target, and met all statutory audit timelines. Audit products include audit reports, evaluation reports, the Inspector General's Semi-Annual Reports to the Congress, and the Inspector General's annual memoranda to the Secretary of the Treasury and the Secretary of Commerce, as the designated Chairperson of the Gulf Coast Ecosystem Restoration Council, on the most significant management and performance challenges facing the Department and Gulf Coast Ecosystem Restoration Council, respectively. Audit products can also include responses to specific information requests by the Congress. By completing independent and timely assessments of programs and operations under its jurisdiction, the Office supports the OIG's mission of promoting efficiency, effectiveness, and integrity of those programs and operations. The recommendations for improvement in programs and operations noted through OIG's assessments directly support the Treasury Department in achieving its strategic goals and the Gulf Coast Ecosystem Restoration Council in meeting its mission.

The OIG has a mature audit operation that uses historical performance to estimate future performance. It has, over time, demonstrated agility at redirecting resources as necessary to address new challenges and mandates of its stakeholders.

In keeping with the OIG's strategy to maintain a highly skilled and motivated workforce, the OIG plans and executes a meaningful body of work designed to help ensure the integrity and effectiveness of programs and operations across its jurisdiction while looking for opportunities to improve them.

3.1.1 – Audit Budget Activity Budget and Performance Plan

Dollars in Thousands

Audit Budget Activity								
Resource Level	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
	Actual	Actual	Actual	Actual	Actual	Enacted	Enacted	Request
Appropriated Resources	\$19,721	\$22,435	\$22,823	\$21,630	\$27,050	\$28,275	\$28,304	\$29,605
Other Resources	\$6,300	\$6,300	\$10,000	\$13,200	\$12,000	\$13,000	\$13,000	\$10,500
Budget Activity Total	\$26,021	\$28,735	\$32,823	\$34,830	\$39,050	\$41,275	\$41,304	\$40,105

Measure	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2015	FY 2016	FY 2017
	Actual	Actual	Actual	Actual	Actual	Actual	Target	Target	Target
Number of Completed Audit Products	68	126	91	72	75	86	75	77	86
Percent of Statutory Audits Completed by the Required Date	50.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Key: DISC - Discontinued

3B – Investigations

(\$7,439,000 from direct appropriations):

The Office of Investigations prevents, detects, and investigates complaints of fraud, waste, and abuse. This includes the detection and prevention or deterrence of employee misconduct and fraud, or related financial crimes within or directed against Treasury. The Office of Investigations refers its cases to the Department of Justice, state or local prosecutors for criminal prosecution or civil litigation, or to agency officials for corrective administrative action.

With the increased risk of the Recovery Act grant programs for low-income housing and specific energy properties, the Office of Investigations faces greater challenges and anticipated increases in grant fraud. In addition, with the establishment of Gulf Coast Restoration Trust Fund outreach efforts are being made in an effort to prepare for future investigative referrals and complaints aimed at suspected fraud involving the funds with this program.

Additionally, the Office of Investigations remains committed to investigating benefit, payment and other monetary fraud associated with the programs and operations of the Treasury Department.

Description of Performance:

In FY 2015 the Office of Investigations exceeded the Investigative Performance Measure target, and opened 133 new investigations, and closed 70 investigations. The OIG also referred 27 investigations that substantiated administrative violations against a Treasury employee to the appropriate regulated bureau for action. In addition, the OIG referred 72 investigations for criminal prosecution. The Investigative performance measure is a percentage of all cases closed by Office of Investigations during the fiscal year referred to Department Bureaus for administrative action or for criminal or civil prosecution by Federal or local prosecutors. The goal for Office of Investigations is that at least 80 percent of closed cases meet the

aforementioned criteria of closed cases in this fiscal year. Meeting or exceeding this goal demonstrates that Office of Investigations is responsive to allegations and complaints referred to Office of Investigations and that when these referrals require investigation, the cases are timely, thoroughly and accurately reported to assist the Department in maintaining the integrity of its programs and operations, subsequently ferreting out fraud, waste, and abuse.

3.1.2 – Investigations Budget and Performance Plan

Dollars in Thousands

Investigations Budget Activity								
Resource Level	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals	Enacted	Request
Appropriated Resources	\$6,831	\$6,702	\$6,818	\$6,461	\$7,750	\$7,076	\$7,112	\$7,439
Budget Activity Total	\$6,831	\$6,702	\$6,818	\$6,461	\$7,750	\$7,076	\$7,112	\$7,439

Measure	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2015	FY 2016	FY 2017
	Actual	Actual	Actual	Actual	Actual	Actual	Target	Target	Target
Percentage (%) of All Cases Closed During Fiscal Year that were Referred for Criminal/Civil Prosecution or Treasury Administrative Action	93.0	85.0	91.0	84.0	84.0	87.0	80.0	80.0	80.0

Key: DISC - Discontinued

Section 4 – Supplemental Information

4A – Summary of Capital Investments

The OIG does not have any IT or Non-IT Capital Investments.

A summary of capital investment resources, including major information technology and non-technology investments, can be viewed and downloaded at: <http://www.treasury.gov/about/budget-performance/Pages/summary-of-capital-investments.aspx>

This website also contains a digital copy of this document.