

Department of the Treasury
Office of Inspector General

Congressional Budget
Justification and Annual
Performance Plan and Report

FY 2024

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Section I – Budget Request

A – Mission Statement

To promote the integrity, efficiency, and effectiveness in programs and operations within the Department of the Treasury and OIG’s jurisdictional boundaries.

B – Summary of the Request

The FY 2024 request for \$49,180,000 for the OIG will be used to support ongoing audit, investigative, and mission support activities and pandemic relief programs. The request maintains current services, supporting the increased FY 2023 funding OIG received to support unfunded Coronavirus State and Local Recovery Funds (SLFRF) oversight and data analytics and information technology support staff. The request also funds activities to meet the requirements of the Inspector General Act of 1978, as amended, and other statutes including, but not limited to: the Cybersecurity Act of 2015; Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank); Federal Information Security Modernization Act of 2014 (FISMA); Federal Information Technology Acquisition Reform Act; Government Management Reform Act; Payment Integrity Information Act of 2019 (PIIA); Government Charge Card Abuse Prevention Act of 2012; Federal Deposit Insurance Act; Small Business Jobs Act of 2010; Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE); the Coronavirus Aid, Relief, and Economic Security Act (CARES Act); the Consolidated Appropriations Act, 2021; and the American Rescue Plan Act (ARP). Specific mandates include: (1) audits of the Department’s financial statements, (2) audits or evaluations of the Department’s information systems security program and practices as required by FISMA, (3) assessments of the Department’s cyber security information sharing, (4) audits of improper payments and recoveries under PIIA, (5) risk assessments and audits of charge card programs, (6) audits of air carrier pandemic payroll support programs, and (7) material loss reviews of failed insured depository institutions regulated by the Office of the Comptroller of the Currency (OCC).

The OIG will also conduct audits of the Department’s highest risk programs and operations, and respond to stakeholder requests for specific work, including: (1) new initiatives; (2) cyber threats; (3) Bank Secrecy Act, anti-money laundering, and anti-terrorist financing enforcement; (4) information technology acquisition and project management; and (5) certain Treasury Pandemic Relief programs.

Within its jurisdictional boundaries, the OIG also conducts audits of the highest risk programs and operations of Gulf Coast Ecosystem Restoration Council (Council) established under RESTORE. The highest risk programs and operations identified as the Council’s management and performance challenge include: (1) Federal statutory and regulatory compliance and (2) grant and interagency agreement compliance monitoring.

The OIG will continue its investigative work to prevent, detect, and investigate complaints of fraud, waste, and abuse impacting Treasury programs and operations. This includes the detection and prevention or deterrence of employee misconduct and fraud.

Office of Inspector General’s FY 2024 Budget Request

In accordance with the requirements of Section 6(f)(1) of the Inspector General Act of 1978, as amended, the Treasury Inspector General submits the following information relating to the OIG’s requested budget for FY 2024:

- The aggregate budget request for the operations of the OIG is \$49,180,000 in direct appropriations.
- The portion of this amount needed for OIG training is \$667,000; and
- The portion of this amount estimated in support of the Council of Inspectors General on Integrity and Efficiency (CIGIE) is \$24,415.

The amount requested for training satisfies all OIG training needs for FY 2024.

1.1 – Appropriations Detail Table

Dollars in Thousands

Appropriated Resources	FY 2022		FY 2023		FY 2024		FY 2023 to FY 2024	
	Operating Plan	Operating Plan	Operating Plan	Operating Plan	Request	Request	% Change	% Change
New Appropriated Resources	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Audit	144	31,095	159	35,853	159	36,103	0.0%	0.7%
Investigations	46	11,180	51	13,025	51	13,077	0.0%	0.4%
Subtotal New Appropriated Resources	190	\$42,275	210	\$48,878	210	\$49,180	0.0%	0.6%
Other Resources								
Reimbursables - Annual	0	12,000	0	12,000	0	12,000	NA	0.0%
Resources from Other Accounts	0	10,959	0	10,122	0	10,122	NA	0.0%
Subtotal Other Resources	0	\$22,959	0	\$22,122	0	\$22,122	0.0%	0.0%
Total Budgetary Resources	190	\$65,234	210	\$71,000	210	\$71,302	0.0%	0.4%

Resources from Other Accounts include Pandemic Funding and FY 2022 Full-time Equivalents reflect actuals.

Appropriated resources were provided by the Consolidated Appropriations Act, 2021 and the American Rescue Plan Act of 2021.

1. \$6.5 million for oversight, monitoring, and recoupment of the Emergency Rental Assistance program.
2. \$3 million for oversight of the ARP Emergency Rental Assistance program.
3. \$2.6 million for oversight of the Homeowner Assistance Fund.
4. \$35 million for oversight of the Coronavirus Relief Fund.
5. Offsetting Collections includes \$1 million for SBCI Reimbursable Authority (Supporting the Small Business Jobs Act of 2010).

1.2 – Budget Adjustments Table

Dollars in Thousands

	FTE	Amount
FY 2023 Operating Plan	210	\$48,878
Changes to Base:		
2024 Maintaining Current Levels (MCLs):	0	\$2,091
Pay Annualization (2023 4.6% average pay raise)	0	\$414
Pay Raise (2024 5.2% average pay raise)	0	\$1,419
Non-Pay	0	\$258
Other Adjustments		
Adjustments to Meet Current Operating Levels	0	(\$1,789)
Subtotal Changes to Base	0	\$302
FY 2024 Current Services	210	\$49,180
FY 2024 President’s Budget Request	210	\$49,180

C – Budget Increases and Decreases Description

Maintaining Current Levels (MCLs)+\$2,091,000 / +0 FTE

Pay Annualization (4.6%) +\$414,000 / +0 FTE

Funds are requested for annualization of the January 2023 4.6% average pay raise.

Pay Raise (5.2% in 2024) +\$1,419,000 / +0 FTE

Funds are requested for a 5.2% average pay raise in January 2024.

Non-Pay +\$258,000 / +0 FTE

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

Other Adjustments-\$1,789,000 / -0 FTE

Adjustments to Meet Current Operating Levels -\$1,789,000 / -0 FTE

This reduction to current operating levels includes GSA rent reduction and reduction in contractual services. The rent reduction savings will be realized due to the closure of the Treasury Boston Office and the reduction of the Washington DC Office space and the associated overhead cost in contractual services.

1.3 – Object Classification (Schedule O) Obligations

Dollars in Thousands

Object Classification	FY 2022	FY 2023	FY 2024
	Actual Obligations	Estimated Obligations	Estimated Obligations
11.1 - Full-time permanent	26,000	31,000	31,000
11.5 - Other personnel compensation	2,000	2,000	2,000
11.9 - Personnel Compensation (Total)	28,000	33,000	33,000
12.0 - Personnel benefits	11,000	12,000	12,000
Total Personnel and Compensation Benefits	39,000	45,000	45,000
21.0 - Travel and transportation of persons	1,000	1,000	1,000
23.1 - Rental payments to GSA	-	3,000	3,000
25.2 - Other services from non-Federal sources	3,000	6,000	5,000
25.3 - Other goods and services from Federal sources	6,000	5,000	4,000
25.7 - Operation and Maintenance of Equipment	1,000	1,000	1,000
31.0 - Equipment	1,000	1,000	1,000
Total Non-Personnel	\$12,000	\$17,000	\$15,000
Total Obligations	\$51,000	\$62,000	\$60,000

Full-time Equivalents (FTE)	190	210	210
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Appropriated resources were provided by the Consolidated Appropriations Act, 2021 and the American Rescue Plan Act of 2021.

- \$6.5 million for oversight, monitoring, and recoupment of the Emergency Rental Assistance program
- \$3 Million for oversight of the Emergency Rental Assistance program.
- \$2.6 million for oversight of the Homeowner Assistance Fund.
- \$35 million for oversight of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). (Funding received in FY 2020)
- Offsetting Collections includes \$1 million for SSBCI Reimbursable Authority (Supporting the Small Business Jobs Act of 2010).

D – Appropriations Language and Explanation of Changes

Appropriations Language	Explanation of Changes
<p style="text-align: center;">DEPARTMENT OF THE TREASURY OFFICE OF INSPECTOR GENERAL <i>Federal Funds</i></p> <p style="text-align: center;">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, [\$48,878,000]<i>\$49,180,000</i>, 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, [2024] <i>2025</i>, 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. (<i>Department of the Treasury Appropriations Act, 2023.</i>)</p>	

E – Legislative Proposals

The OIG has no legislative proposals.

Section II – Annual Performance Plan and Report

A – Strategic Alignment

This year, through the audit and investigative functions the OIG is working to align budget activities and performance measures to the objectives in the Treasury FY 2022 – 2026 Strategic Plan. This work will include benchmarking performance and may result in changes to performance measures in the FY 2024 budget.

The FY 2024 requested resources will enable the OIG to perform audits and investigations of Treasury programs and operations under its jurisdiction, except for those of the Internal Revenue Service (IRS), the Troubled Asset Relief Program (TARP), the Special Inspector General for Pandemic Recovery (SIGPR), and to keep 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 entity.

B – Major challenges and risks for Treasury

New Initiatives

While Treasury continues transitioning key senior leadership positions and implementing new initiatives and programs such as a comprehensive action plan to address the catastrophic impacts of climate change, other critical matters such as the budget and debt ceiling stopgaps continue to be more challenging than usual. The impact of these challenges and the uncertainties requires the Department to continue to focus its resources on programs that are in the highest need to citizens and/or where there is a unique federal role. It is essential that new initiatives, programs, and reforms be managed and communicated effectively for achieving performance and accountability. The OIG will assess the Department's ability to meet new mandates and manage challenges and risks to its programs and operations.

Cyber Threats

Treasury has maintained steady progress in addressing the continual and on-going challenges that the Federal Government and private sector face, including the threat of ransomware and challenge in recruiting and retaining cybersecurity personnel. 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. Attempted cyber-attacks against Federal agencies, including Treasury, and financial institutions continue to increase in frequency and severity, in addition to continuously evolving. There are risks that Treasury's systems and resources already in use, including critical infrastructure, contain components from sources that have yet to be designated as threats.

The Department will need to monitor developments in this area closely and plan for the possibility that its current supply chain may no longer be available in the near future.

In addition to its own networks and systems, the Department must be cognizant of, and mitigate, the risks posed by attacks made against other agencies and Treasury contractors and subcontractors. Furthermore, effective public-private coordination is needed 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.

As an ongoing challenge, Treasury will need to balance cybersecurity demands while modernizing and maintaining information technology (IT) systems. This is critical, especially since the COVID-19 pandemic shifted the Federal workforce to primarily telework status, which increases the opportunities for cyber-attacks. With telework, long-standing cyber threats pose increased risks to networks and information systems as more opportunities are available for bad actors to stage cyber-attacks. As the tools used to perpetrate cyber-attacks become easier to use and more widespread, less technological knowledge and fewer resources are needed to launch successful attacks of increasing sophistication. To this end, Treasury must ensure that cyber security is fully integrated in its IT investment decisions. OIG conducts audits of Treasury's information systems and operations. As part of these audits, OIG conducts penetration tests of selected Treasury bureaus and offices to determine whether sufficient protections exist to prevent and detect unauthorized access to Treasury networks and systems.

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

Identifying, disrupting, and dismantling the financial networks that support rogue regimes, terrorist organizations, transnational criminal organizations, and other threats to the national security of the United States and our allies continues to be challenging as the Office of Terrorism and Financial Intelligence's (TFI) role to counter these financial networks and threats has grown because its economic authorities are key tools to carry out U.S. policy. TFI's counter-terrorism designations disrupt the financial networks that support terrorist organizations. Disrupting terrorist financing depends on a whole-of-government approach and requires collaboration and coordination within Treasury and with other federal agencies. Effective collaboration and coordination are key to successfully identifying and disrupting terrorists' financial networks and meeting TFI's mission.

Data security and information sharing are challenges for the Financial Crimes Enforcement Network (FinCEN), which has experienced unauthorized disclosures of Bank Secrecy Act information. The challenge for FinCEN is to ensure the Bank Secrecy Act data remain secure to maintain the confidence of the financial sector while meeting the access needs of law enforcement, regulatory, and intelligence partners. Another challenge for FinCEN is to develop and implement a new secure database for small businesses to report their beneficial ownership information.

Given the criticality of Treasury's mission and its role to carry out U.S. policy, the OIG continues to consider anti-money laundering and combating terrorist financing programs and operations as inherently high-risk. Through OIG's ongoing audits and reviews, the OIG monitors this high-risk area closely.

Information Technology Acquisition and Project Management

Government-wide implementation of the *Federal Information Technology Acquisition Reform Act* (FITARA) continues to be an ongoing challenge. FITARA expanded the involvement of Chief Information Officers of Federal agencies in IT decision making, including annual and multi-year planning, programming, budgeting, execution, reporting, management, governance, and oversight functions. Among FITARA specific requirements, the areas that Treasury needs

most improvement were enhanced transparency and risk management and improved cybersecurity. Since February 2015, the Government Accountability Office has included the management of IT acquisitions and operations on its high-risk list as cost overruns and schedule delays impact mission related outcomes Government-wide. The OIG monitors the Department's progress to fully implement FITARA requirements and management of IT projects.

Non-IT related acquisitions also require attention to ensure timely delivery and minimize cost overruns for achieving cost savings. In this regard, the OIG plans audit oversight of the Bureau of Engraving and Printing's large construction project of a new facility to ensure continuity of operations of the bureau.

COVID-19 PANDEMIC RELIEF

The COVID-19 pandemic affected the health and economic stability of communities nationwide. Congress passed a series of legislation to address the COVID-19 health crisis and the economic fallout affecting individuals, businesses, and other industry sectors. Treasury has been instrumental in implementing and supporting other Federal agencies in implementation of economic relief provisions of the CARES Act, the Consolidated Appropriations Act, 2021, and the American Rescue Plan. The rapid delivery of funds within short timeframes may create opportunities for illicit activity by anyone attempting to misuse or abuse funds that were intended for COVID-19 relief. Considering the challenges and risks associated with ensuring economic relief is deployed and used for intended purposes, Treasury must continue to address reporting and data quality issues and intensify efforts to reduce improper payments. Reliable and transparent data is critical to the Department's ongoing implementation of Government-wide reforms for making data accessible and useful for decision-making as authorized by the *Foundations for Evidence-Based Policymaking Act of 2018* (Evidence Act). The OIG will monitor the Department's progress in this area. The OIG also continues to identify and analyze the risks of improper payments and reviews the controls and safeguards put in place by Treasury to prevent and recover such payments as set forth in the *Payment Integrity Information Act of 2019* (PIIA).

Along with administering and delivering economic relief, Treasury must manage the unprecedented oversight required by the aforementioned legislation. In addition, Treasury must carry the administrative and monitoring responsibilities in its new role resolving Single Audit findings and potentially serving as cognizant agency for a significant number of entities. In the context of these overarching challenges, OIG recognizes the breadth and scope of Treasury's responsibilities as it impacts programs, operations, and activities regardless of jurisdictional oversight boundaries. That said, there was reported strain associated with working remotely while managing normal responsibilities and additional work due to the COVID-19 pandemic. Going forward, Treasury may continue to experience difficulties in balancing its new responsibilities and workloads while managing several ongoing challenges as described throughout this document.

Major challenges and risks for the Gulf Coast Ecosystem Restoration Council (Council) Federal Statutory and Regulatory Compliance

The Council must ensure that activities and projects funded by the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act) meet all environmental laws and regulations at the Federal and State level

and must also ensure its compliance with applicable laws and regulations as a Federal entity. The Council is required to follow Federal statutory and regulatory compliance requirements related to the DATA Act, PIIA, and the Evidence Act. The Council still faces challenges in meeting these Federal statutory and regulatory compliance stemming from the need for a reliable grants management system among other things. With the uncertainty of costs and resources to make desired modifications to its grants management system, the Council's ability to comply with new as well as existing Federal requirements may be in question. In addition, after transitioning through a loss of key leaders, the Council again faces challenges related to the departures of key personnel. The OIG will continue to focus audits on the Council's continued implementation and compliance with key Federal mandates.

Grant and Interagency Agreement Compliance Monitoring

Given the increase in grants and interagency agreements, the OIG continues to emphasize the necessity to monitor projects and award recipients of RESTORE Act funds. This challenge is further impacted by the Council's transition to a new grants management system during FY 2020, and a FY 2023 vacancy in the Director of Grants/IAA and Compliance position. The OIG audits will focus on the Council's monitoring controls in place to ensure projects and recipients comply with grant and agency agreements and funds are used as intended.

In the Investigations operational area, OIG has established eight priorities for FY 2023: Threats Against Treasury Employees and Facilities

Our highest priority is investigating threats against Treasury employees and facilities. These efforts are critical in ensuring safety for the Department and require prompt attention and coordination with Federal, State, and local authorities.

Criminal and Serious Treasury Employee Misconduct

OIG investigates complaints involving alleged criminal and other serious misconduct by Treasury employees. OIG also 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 we investigate complaints of alleged violations of these rules and regulations.

Cyber Threats Against Treasury Systems and Cyber Enabled Financial Crimes Fraud

OIG conducts investigations into the illicit removal of Treasury-protected information from Treasury systems, and cyber-enabled criminal activity impacting Treasury programs and operations, such as Business Email Compromise, Personal Email Compromise, and other schemes.

Identifying and Investigating Fraud Related to Pandemic Related Acts, including the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Consolidated Appropriations Act, 2021, and the American Rescue Plan Act of 2021

OIG conducts inquiries and investigations of waste, fraud, and abuse related to Title V of the CARES Act, which established the Coronavirus Relief Fund for State, Local, and Tribal governments, U.S territories, and the District of Columbia. OIG also conducts investigations

related to the Emergency Rental Assistance Program, Homeowner Assistance Fund, Coronavirus State and Local Recovery Funds, State Small Business Credit Initiative (SSBCI), Air Carrier Payroll Support Programs, Coronavirus Economic Relief for Transportation Services, Emergency Capital Investment Fund, and the Community Development Financial Institutions Fund Emergency Support.

Fraud Involving Treasury Contracts, Grants, Guarantees, and Federal Funds

OIG conducts investigations into allegations of fraud and other crimes involving Treasury contracts, grants, loan guarantees, and Federal funds. Such allegations often involve contractors, entities, and individuals who provide or seek to provide goods or services to the Department. OIG receives complaints alleging criminal or other misconduct from employees, contractors, members of the public, and Congress. OIG also investigates criminal activity associated with improper payments made due to false claims to the Treasury in relation to grant programs, such as the American Recovery and Reinvestment Act of 2009 and pandemic programs.

Treasury Financial Programs and Operations Crime

OIG conducts and supervises criminal investigations related to Treasury financial programs and operations, including the issuance of licenses, payments and benefits, and oversight of U.S. financial institutions. OIG investigates criminal activity associated with improper payments made due to false claims to the Treasury and stolen, altered, counterfeit, and fraudulently obtained and/or redirected Treasury payments. OIG also investigates financial institution employee obstruction of the examination process and bank fraud, wire fraud, embezzlement, and other crimes affecting the oversight of Office of the Comptroller of the Currency (OCC) regulated financial institutions as well as the Bank Secrecy Act/Anti-Money Laundering program overseen by OCC and the Financial Crimes Enforcement Network (FinCEN).

Investigating Fraud Related to Criminals Impersonating Treasury Agents and Employees

OIG conducts investigations into criminal activity associated with individuals who attempt to scam citizens by fraudulently purporting to be Treasury agents or employees. These matters have become more prevalent and require prompt coordination with Federal, State, and local authorities to protect the targets of the scams.

Investigating Fraud Related to Persons Representing Themselves as “Sovereign Citizens” Submitting Fictitious Financial Instruments to Treasury, Financial Institutions, Private Companies, and Citizens

OIG conducts investigations into criminal activity associated with individuals who attempt to scam the Treasury, financial institutions, private companies, and citizens by submitting fictitious financial instruments purporting to be issued by or drawn on the Treasury, or other counterfeit documents, to perpetrate a variety of fraud schemes.

C – Budget and Performance by Budget Activity
2.1.1 – Audit Resources and Measures

Dollars in Thousands

Resource Level	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Operating Plan	FY 2024 Request
Appropriated Resources	\$24,413	\$25,699	\$30,524	\$30,524	\$31,095	\$35,853	\$36,103
Reimbursable	\$6,116	\$6,236	\$9,000	8,261	\$22,122	\$22,122	\$22,122
Budget Activity Total	\$30,529	\$31,935	\$39,524	\$38,785	\$53,217	\$57,975	\$58,225
Full-time Equivalents (FTE)	115	119	128	136	144	159	159

Performance Measure	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Target	FY 2024 Target
Number of Completed Audit Products	91	79	85	80	74	82	82
Percent of Statutory Audits Completed by the Required Date	100	100	100	100	100	100	100

Audit Budget and Performance

(\$36,103,000 from direct appropriations, and \$22,122,000 from reimbursable resources):

The Office of Audit (OA) conducts audits intended to ensure the accountability of resources, protect information, and provide recommendations for improving the integrity, economy, efficiency, effectiveness, of programs and operations within the Department and within OIG’s jurisdictional boundaries, which include those of the Council. The requested funding for FY 2024 is necessary to perform mandated work (including audits/assessments of financial statements, information systems security program and practices, cyber security information sharing, improper payments and recoveries, charge card programs, and material loss reviews of failed insured depository institutions regulated by the OCC, and to maintain an appropriate level of oversight of programs and operations consistent with the OIG’s responsibilities under the Inspector General Act of 1978, amended. In FY 2024, OIG will also continue to provide oversight of Treasury’s Government-wide role and responsibilities under the CARES Act, FY 2021 Consolidated Appropriations Act, and ARP. Reimbursable funding agreements support financial statement audits of Treasury and oversight of the State Small Business Credit Initiative and the Small Business Lending Fund. Reimbursable funding agreements also support Treasury financial audits for which Treasury OIG is the lead office in selecting and overseeing contractor selection.

Description of Performance

In FY2022, OA issued 76 products, exceeding the performance goal of 74. OA plans to complete 82 audit products in FY 2023, and 82 in FY 2024. Audit products include audit reports, evaluation reports, desk reviews, the Inspector General’s Semi-Annual Reports to Congress, and the Inspector General’s annual memoranda to the Secretary of the Treasury and 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 across its jurisdiction, the OA supports the OIG’s mission of promoting integrity, efficiency, effectiveness of those programs and operations. The recommendations for improvement in programs and operations noted through OIG’s assessments directly support both the Treasury Department and the Gulf Coast Ecosystem Restoration Council in achieving their strategic goals and meeting their respective missions.

2.1.2 – Investigations Resources and Measures

Dollars in Thousands

Resource Level	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Operating Plan	FY 2024 Request
Appropriated Resources	\$11,512	\$11,344	\$10,520	\$10,520	\$11,180	\$13,025	\$13,077
Reimbursable	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Budget Activity Total	\$11,512	\$11,344	\$10,520	\$10,520	\$11,180	\$13,025	\$13,077
Full-time Equivalents (FTE)	42	39	39	44	44	51	51

Performance Measure	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Actual	FY 2023 Target	FY 2024 Target
Percentage of All Cases Closed During the Fiscal Year That Were Referred for Criminal/Civil/Administrative Action	98	80	91	100	100	80	80

Investigations Budget and Performance

(\$13,077,000 from direct appropriations):

The Office of Investigations (OI) prevents, detects, and investigates complaints of fraud, waste, and abuse impacting Treasury programs and operations. This includes the detection and prevention or deterrence of employee misconduct and fraud or related financial crimes within or directed against Treasury. OI 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 almost \$3 billion in U.S. Treasury related contracts, there is an increased risk of contract fraud across all U.S. Treasury bureaus and programs. OI initiated a program of providing integrity briefs to contract personnel notifying them of the responsibilities to report fraud, waste, and abuse within U.S. Treasury contracts and programs. OI works with the U.S. Department of Justice to prosecute False Claims Acts in federal court to recover funds through civil penalties. Additionally, OI conducts criminal investigations to prosecute contractors engaging in fraudulent activity, such as, kickbacks, product substitution, bid manipulation, and many other types of contract fraud. OI continues to work allegations directly impacting the American Reinvestment and Recovery Act and the Gulf Coast Restoration Trust Fund, and the Pandemic Programs within Treasury OIG’s jurisdiction.

OI directs investigative efforts toward those that subvert bank examination processes, and/or perpetrate fraud impacting the Bank Secrecy Act oversight responsibilities of Treasury bureaus, subsequently defrauding the nation's financial infrastructure, and eroding the public's trust.

In addition to the grant programs listed above, the OI has seen a noted increase in fraud impacting other significant Treasury programs and operations, including leaks of Treasury information, as well as fraud impacting the Treasury payment processing service operated by the Bureau of Fiscal Service. OI remains committed to investigating benefit, improper payment and other monetary fraud associated with the programs and operations of the Treasury Department. The Pandemic Response Accountability Committee (PRAC) established a Fraud Task Force to serve as a resource for the Inspectors General (IG) community by merging investigative resources into those areas where the need is the greatest, currently pandemic loan fraud. Agents from Offices of Inspectors General (OIG) across the Government are detailed to work on Task Force cases. These agents have partnered with prosecutors at the Department of Justice's Fraud Section and at United States Attorneys' Offices across the country.

Treasury OIG has eight agents who are assigned to the PRAC Fraud Task Force on a part-time basis. The agents are assigned Paycheck Protection Program cases while continuing to work their existing Treasury OIG caseload. This initiative allows Treasury OIG to make a broader contribution to the IG community by assisting with investigations that might otherwise remain unstaffed.

Description of Performance

The Investigative Performance Measure is a percentage of all cases closed by OI 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 OI is that at least 80 percent of closed cases meet the aforementioned criteria. Meeting or exceeding this goal demonstrates that OI is responsive to allegations and complaints referred to the office and 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. The office is working to meet or exceed this measure in both FY 2023 and FY 2024.

In FY 2022, OI exceeded the 80 percent target for Investigative Performance Measure by referring 100 percent of the investigations for criminal/civil/administrative action. OI opened 130 new investigations (48 percent increase from FY 2021) and closed 51 investigations. The OI also referred 13 investigations that substantiated administrative violations against a Treasury employee to the appropriate regulated bureau for action. In addition, the OI referred 67 investigations for criminal prosecution and 9 investigations for civil prosecution. In FY 2022, OI charged and/or indicted 24 subjects. Ongoing investigations resulted in 3 subjects sentenced which resulted in fines, seizures, restitution, penalties, and settlements of more than \$10.9 million.

OI continues to support frequent congressional inquiries, sensitive investigative requests from the Council of the Inspectors General on Integrity and Efficiency, and annual peer reviews of other Offices of Inspector General, thus ensuring a high level of professionalism within the Inspector General community.

Section III – Additional Information

A – Summary of Capital Investments

The OIG has no capital investments. Capital investments that support the OIG are included in the Departmental Offices plan.

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