

## Office of Inspector General

### Program Summary by Budget Activity

Dollars in Thousands

Budget Activity	FY 2021	FY 2022	FY 2023	FY 2022 TO FY 2023	
	Operating Plan	Annualized CR	Request	\$ Change	% Change
Audit	\$29,324	\$30,521	\$32,198	\$1,677	5.49%
Investigations	\$10,120	\$10,520	\$11,680	\$1,160	11.03%
<b>Subtotal, OIG</b>	<b>\$39,444</b>	<b>\$41,041</b>	<b>\$43,878</b>	<b>\$2,837</b>	<b>7%</b>
Offsetting Collections - Reimbursables	\$9,000	\$12,000	\$12,000	\$0	10.00%
Reimbursable – SSBCI	\$400	\$1,000	\$1,000	\$0	0.00%
Resources from Other Accounts	\$8,000	\$10,959	\$10,122	(\$837)	-7.64%
<b>Total Program Operating Level</b>	<b>\$17,400</b>	<b>\$23,959</b>	<b>\$23,122</b>	<b>\$1,000</b>	<b>100%</b>
Direct FTE	180	190	190	0	0.00%
<b>Total FTE</b>	<b>189</b>	<b>190</b>	<b>190</b>	<b>0</b>	<b>0.00%</b>

FY 2021 Other Resources and Full-time Equivalents reflect actuals.

Additional appropriated resources were provided by the Consolidated Appropriations Act of 2021 and the American Rescue Plan Act of 2021 which are not included above:

1. \$6.5 million for oversight, monitoring, and recoupment of the Emergency Rental Assistance program.
2. \$3 Million for oversight of the Emergency Rental Assistance program.
3. \$2.6 million for oversight of the Homeowner Assistance Fund.
4. \$35 million for oversight of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (Funding received in FY 2020)
5. \$10 million for SSBCI (Small Business Jobs Act of 2010) starting in 2021 with \$400k and thereafter \$1M each year.

### Summary

The FY 2023 request for \$43,878,000 for the Office of Inspector General (OIG) will be used to fund critical audit, investigative, and mission-support 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); Federal Deposit Insurance Act; Small Business Jobs Act of 2010; the Government Charge Card Abuse Protection Act of 2012; Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act); the Coronavirus Aid, Relief, and Economic Security Act (CARES); the FY 2021 Consolidated Appropriations Act; and the American Rescue Plan Act (ARP). Specific mandates include (1) audits of the Department’s financial statements, (2) audits and/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, and (6) 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) operating in an uncertain environment; (2) cyber threats; (3) Bank Secrecy Act, anti-money laundering, and anti-terrorist financing enforcement; (4) efforts to promote spending transparency and to prevent and detect improper payments; (5) information technology acquisition and project management; and (6) certain Treasury Pandemic Relief programs.

Within its jurisdictional boundaries, the OIG also conducts audit of the highest risk programs and operations of the Gulf Coast Ecosystem Restoration Council (Council) established under the RESTORE Act. The highest risk programs and operations identified as the Council’s management and performance challenges include: (1) Federal Statutory and Regulatory Compliance, (2) Grant and Interagency Agreement Compliance Monitoring, and (3) Loss of Key Leadership Over Administration of Gulf Coast Restoration Activities.

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.

This year, the OIG is working to align budget activities and performance measures to the new 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 OIG will publish a component plan that aligns bureau activities and priorities to the Department’s by early spring 2022.

***FY 2023 Budget Highlights***

Dollars in Thousands

Office of Inspector General	FTE	Amount
<b>FY 2022 Enacted</b>	<b>190</b>	<b>\$41,041</b>
<b>Changes to Base:</b>		
2023 Maintaining Current Levels (MCLs):	0	1,516
Pay Annualization (2022 2.7% average pay raise)	0	211
Pay Raise (2023 4.6% average pay raise)	0	1,083
Non-Pay	0	222
<b>FY 2022 Current Services</b>	<b>190</b>	<b>\$42,557</b>
<b>Other Adjustments:</b>		
Adjustments to Meet Current Operating Levels	0	1,321
<b>FY 2023 President's Budget Request</b>	<b>190</b>	<b>\$43,878</b>

***FY 2023 Budget Adjustments***

**Maintaining Current Levels (MCLs).....+\$1,516,000 / +0 FTE**

Pay Annualization (2.7%) +\$211,000 /+0 FTE

Funds are requested for annualization of the January 2022 2.7% average pay raise.

Pay Raise (4.6% in 2023) +\$1,083,000 / +0 FTE

Funds are requested for a 4.6% average pay raise in January 2023.

Non-Pay +\$222,000 / +0 FTE

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

**Other Adjustments .....+\$1,321,000 / +0 FTE**

Adjustments to Meet Current Operating Levels +\$1,321,000 / +0 FTE

Treasury requests adjustments to realize current services operating levels. Current Operating Levels include the annualization of the January 2021 1.0% average pay raise, 2.7% average pay raise in January 2022, FY 2022 FERS contribution increases and FY 2022 non-labor expenses self-funded from FY 2021 enacted levels.

### ***Legislative Proposals***

OIG has no legislative proposals.

### ***Performance Highlights***

Budget Activity	Performance Measure	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Target	FY 2023 Target
Audit	Number of Completed Audit Products	79	85	80	74	82
Audit	Percent of Statutory Audits Completed by the Required Date	100	100	100	100	100
Investigations	Percentage of All Cases Closed During the Fiscal Year That Were Referred for Criminal/Civil Prosecution or Treasury Administrative Action	80	91	100	80	80

### ***Description of Performance***

The Office of Audit completed 80 audit products in FY 2021 and expects to complete 74 in FY 2022. In FY 2021, OA met its mandated audit requirements.

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, efficiency, and effectiveness of programs and operations across OIG’s jurisdiction while looking for opportunities to improve them.

In FY 2021 the OIG exceeded the Investigative Performance Measure target, opened 88 new investigations, and closed 72 investigations. The OIG also referred 13 investigations that substantiated administrative violations against a Treasury employee to the appropriate regulated bureau for action. In addition, the OIG referred 65 investigations for criminal prosecution and 5 investigations for civil prosecution. In FY 2021 the Office of Investigations charged and/or indicted 23 subjects. Ongoing investigations resulted in 24 subjects sentenced which resulted in fines, seizures, restitution, penalties, and settlements of more than \$10.9 million.

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.

Department of the Treasury (Treasury or the Department) OIG has seven 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.

The Office of Investigations 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, ensuring a high level of professionalism within the Inspector General community.