

Office of Inspector General

FY 2014

President's Budget

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Section 1 – Purpose

1A – Mission Statement

To promote the integrity, efficiency, and effectiveness of Treasury programs and operations.

1.1 – Appropriations Detail Table

Dollars in Thousands

Office of Inspector General Resources	FY 2012		FY 2013		FY 2014		FY 2012 to FY 2014				
	Enacted		Annualized		Request		\$ Change		% Change		
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	
New Appropriated Resources:											
Audit	142	22,823	142	22,963	161	24,385	19	1,562	13.38%	6.84%	
Investigations	31	6,818	30	6,859	33	6,966	2	148	6.45%	2.17%	
Subtotal New Appropriated Resources	173	\$29,641	172	\$29,822	194	\$31,351	21	\$1,710	12.14%	5.77%	
Other Resources:											
Reimbursables	19	13,200	19	15,400	19	14,500	0	1,300	0.00%	9.85%	
Subtotal Other Resources	19	\$13,200	19	\$15,400	19	\$14,500	0	\$1,300	0.00%	9.85%	
Total Budgetary Resources	192	\$42,841	191	\$45,222	213	\$45,851	21	\$3,010	10.94%	7.03%	

1B – Vision, Priorities and Context

OIG performs independent, objective reviews of Treasury programs and operations, 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. The Treasury Inspector General for Tax Administration performs oversight related to the IRS. A Special Inspector General and the Government Accountability Office perform oversight related to TARP.

OIG has five components: (1) Office of Audit, (2) Office of Investigations, (3) Office of Small Business Lending Fund (SBLF) Program Oversight, (4) Office of Counsel, and (5) Office of Management. 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 two deputies. One is primarily responsible for performance audits, and the other is primarily responsible for financial management, information technology (IT), and grants and other financial assistance audits.

-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 our jurisdiction. It also manages the Treasury OIG Hotline to facilitate reporting of allegations involving Treasury programs and activities.

-The Office of SBLF Program Oversight, under the leadership of a Special Deputy Inspector General, conducts, supervises, and coordinates audits and investigations of SBLF and the State Small Business Credit Initiative (SSBCI).

-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 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 its audit and investigative function, the OIG supports all of Treasury's strategic goals, but primarily supports Treasury's strategic Goal #5: "Manage the Government's Finances in a Fiscally Responsible Manner." OIG own Strategic Goals are:

1. Promote the integrity and effectiveness of Treasury programs and operations through audits and investigations;
2. Proactively support and strengthen the Department's ability to identify and manage challenges, both today and in the future;
3. Fully and currently inform stakeholders of Treasury OIG findings, recommendations, investigative results, and priorities related to Treasury programs and operations; and
4. Enhance, support, and sustain a workforce and strengthen internal operations to achieve the Treasury OIG mission, vision, and strategic goals.

The FY 2014 budget request will be used to fund critical audit, investigative, and support activities to meet the requirements of the Inspector General Act of 1978, the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), the Federal Information Security Management Act (FISMA), the Government Management Reform Act, the Federal Deposit Insurance Act, the Small Business Jobs Act of 2010, the Improper Payments Elimination and Recovery Act (IPERA), and the American Recovery and Reinvestment Act of 2009 (Recovery Act), among others. Specific mandates require that we audit the Department's financial statements, the Department's implementation of FISMA, the Department's implementation of IPERA, and failures of Treasury-regulated banks. Recently, under the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act), OIG is authorized to conduct, supervise, and coordinate audits and investigations of projects, programs, and activities of the Gulf Coast Restoration Trust Fund (Trust Fund).

With the resources available after mandated requirements are met, the OIG will conduct audits and investigations of the Department's highest risk programs and operations, as identified in the OIG annual plan and as communicated through a memorandum from the Inspector General to Secretary Geithner on October 25, 2012. These include:

- *Transformation of Financial Regulation (Repeat Challenge)*
- *Management of Treasury's Authorities Intended to Support and Improve the Economy (Repeat Challenge)*

- *Anti-Money Laundering and Terrorist Financing/Bank Secrecy Act Enforcement (Repeat Challenge)*
- *Gulf Coast Restoration Trust Fund Administration (New Challenge)*

Programs that Support the Transformation of Financial Regulation

The Dodd-Frank Wall Street Reform and Consumer Protection Act (PL 111-203), created the Council of Inspectors General on Financial Oversight (CIGFO). CIGFO is chaired by the Treasury Inspector General and comprised of nine major financial regulators which are required to meet quarterly to share information on financial oversight, and evaluate the Financial Stability Oversight Council's (FSOC) activities through working groups. In this regard, CIGFO is an important source of independent and unbiased analysis of FSOC. In FY 2012, CIGFO conveyed its first working group, which issued a report, *Audit of the Financial Stability Oversight Council's Control's over Non-public Information*. In FY 2013, CIGFO conveyed its second working group which is reviewing FSOC and member agencies processes for designating financial market utilities as systemically important and therefore subject to enhanced regulation and supervision. In the future, CIGFO will continue to evaluate FSOC's activities.

The Dodd-Frank Act also mandates Treasury OIG work jointly with the Federal Reserve Board (FRB) OIG and Federal Deposit Insurance Corporation (FDIC) OIG to review and report every 6 months on the transfer of Office of Thrift Supervision (OTS) functions to other federal banking agencies. This work is anticipated to continue into FY 2014.

Apart from CIGFO, the OIG will provide oversight for four important Treasury offices established by the Dodd-Frank Act– the Office of Financial Research, the Federal Insurance Office, and the Offices of Minority and Women Inclusion within Departmental Offices and OCC.

The wave of bank failures that began in calendar year 2007 underscores the need for ongoing and proactive oversight in the banking area. Under the Federal Deposit Insurance Act, the OIG is required to review failures of Treasury-regulated banks. These reviews help identify and correct weaknesses in the supervisory process, but they are nevertheless a retrospective look at the quality of bank supervision. While the number of failed banks began to diminish considerably in 2011, a trend that continued in 2012, there are still hundreds of banks on the problem bank list and the Dodd-Frank Act threshold for requiring material loss reviews decreases from \$150 million to \$50 million in 2014.

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

The Recovery Act provided Treasury with approximately \$22 billion in non-IRS funding for low-income housing projects and specified energy properties for which the OIG must provide oversight. Funds through the Recovery Act are available through FY 2013 and beyond for the specified energy properties program and will require continued oversight. The OIG will continue this work at Departmental Offices to determine whether the funds were spent as intended. The Treasury OIG is providing the only monitoring presence in the field by Treasury for this program. The OIG will also need to continue its oversight of the low-income housing program as funded projects are being brought on line.

Another area that requires vigorous oversight by the OIG is Treasury's responsibilities under the Housing and Economic Recovery Act of 2008 (HERA). Under HERA, Treasury continued to support 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. As of June 2012, Treasury invested a total of \$187 billion in the two entities to cover their losses and maintain a positive net worth. Although Fannie Mae and Freddie Mac reported a positive net worth in the first three quarters of 2012, the future of both entities is still in question and prolonged assistance may be required. During FY 2014, audit work is planned in the Preferred Stock Purchase Agreement Program, the program through which Treasury provides its financial support to Fannie Mae and Freddie Mac. The OIG's HERA oversight work in FY 2014 also includes the Housing Finance Agency (HFA) Initiative Programs which consist of the New Issue Bond Program (\$15.3 billion) and the Temporary Credit and Liquidity Program (\$4.5 billion in guaranteed HFA bonds). These programs include participation of over 90 state and local HFAs in an effort to support mortgage financing.

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

Ensuring criminals and terrorists do not use our 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 is dedicated to disrupting the ability of terrorist organizations to fund their operations. This office 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 them. 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 Bank Secrecy Act (BSA) and USA Patriot Act. The Financial Crimes Enforcement Network (FinCEN) is responsible for administering BSA. Given the criticality of this management challenge to the Department's mission, the OIG continues to consider anti-money laundering and combating terrorist financing as inherently high-risk, and an area that demands a major focus of our self-directed resources.

Gulf Coast Restoration Trust Fund Administration

In response to the Deepwater Horizon oil spill, Congress established within Treasury the Gulf Coast Restoration Trust Fund and requires Treasury to deposit in the Trust Fund 80 percent of administrative and civil penalties paid by responsible parties which will be distributed for eligible activities affecting the Gulf Coast states (Alabama, Florida, Louisiana, Mississippi, and Texas). Treasury, in consultation with the Departments of the Interior and Commerce, is required to develop policies and procedures to administer the Trust Fund by early January 2013.

In the Investigations operational area, OIG has established four priorities for FY 2014.

Criminal and Serious Employee Misconduct

The OIG'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 (OI) 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 are providing or seeking to provide goods or services to the Department. OI 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.

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.

Key Accomplishments and Challenges

In FY 2012, the Office of Audit completed a total of 91 audit products, which exceeded its performance plan. 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 70 audit products in FY 2013 and 75 audit products in FY 2014. In FY 2012, the Office of Investigations exceeded the investigative performance measure, and expects to continue this performance in FYs 2013 and 2014.

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 the OIG is often the only Treasury presence providing on-site verification and quality control. The implementation of new authorities and regulatory changes brought about by major legislation to address the economic crisis and other events, such as the Dodd-Frank Act and the RESTORE Act, continue to evolve. The 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. The 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 2014 Budget Request

In accordance with the Inspector General Act, the Treasury Inspector General submits the following information relating to the OIG's requested budget for FY 2014:

- The aggregate budget request for the operations of the OIG is \$45,851,000 comprised of \$31,351,000 from direct appropriation, and \$14,500,000 from reimbursable collections,
- The portion of this amount needed for OIG training is \$500,000, and
- The portion of this amount needed to support the Council of Inspectors General on Integrity and Efficiency (CIGIE) is \$60,000.

The amount requested for training satisfies all OIG training needs for fiscal year 2014.

Section 2 – Budget Adjustments and Appropriation Language

2.1 – Budget Adjustments Table

Dollars in Thousands

Office of Inspector General	FTE	Amount
FY 2012 Enacted	173	\$29,641
FY 2013 Annualized CR Rate	172	\$29,822
Changes to Base:		
Adjustment to Request	-	(\$1,229)
Non-Recur CR Increase	-	(\$181)
Non-Recur Workload Management & Decrease in Material Loss	-	(\$1,048)
Review from FY 2013	-	(\$1,048)
Maintaining Current Levels (MCLs):	-	\$283
Pay-Raise	-	\$196
Non-Pay	-	\$87
Efficiency Savings:	-	(\$325)
Program Efficiencies	-	(\$325)
Subtotal Changes to Base	-	(\$1,271)
Total FY 2014 Base	172	\$28,551
Program Changes:		
Program Increases:	22	\$2,800
Gulf Coast Restoration Trust Fund Oversight	22	\$2,800
Total FY 2014 Request	194	\$31,351

2A – Budget Increases and Decreases Description

Adjustment to Request **-\$1,229,000 / +0 FTE**

Non-Recur CR Increase -\$181,000 / +0 FTE

The across-the-board 0.612 percent increase provided in the CR through March 27, 2013 is non-recurred.

Non-Recur Workload Management & Decrease in Material Loss Review from FY 2013 - \$1,048,000 / +0 FTE

Decreased workload related to MLRs due to economic improvement and decreasing bank failure rate.

Maintaining Current Levels (MCLs) **+\$283,000 / +0 FTE**

Pay-Raise +\$196,000 / +0 FTE

The President's Budget proposes a 1 percent pay-raise for federal employees in 2014.

Non-Pay +\$87,000 / +0 FTE

Funds are requested for inflation adjustments in non-labor expenses such as GSA rent adjustments, postage, supplies, and equipment.

Efficiency Savings **-\$325,000 / +0 FTE**

Program Efficiencies -\$325,000 / +0 FTE

General operational efficiencies due to careful and aggressive review of all expenditures and imposition of reductions where possible. OIG will continue to very tightly and conservatively manage attrition, since the OIG budget is 80 percent personnel costs, there is not significant

discretionary spending to reduce without impacting people and performance. OIG will constrain spending to the minimum necessary to accomplish the savings.

Program Increases +\$2,800,000 / +22 FTE

Gulf Coast Restoration Trust Fund Oversight +\$2,800,000 / +22 FTE

The RESTORE Act authorizes the Treasury Office of Inspector General (OIG) to conduct, supervise, and coordinate audits and investigations of projects, programs, and activities funded under the act. OIG reviewed the RESTORE Act and based on experience determined that additional resources will be required to support an additional Audit Directorate of 19 FTE, one additional investigative FTE for the Office of Investigations along with two support FTE to provide required audit oversight and coordination for the Trust Fund projects, programs, and activities.

2.2 – Operating Levels Table

Dollars in Thousands

Office of Inspector General	FY 2012	FY 2013	FY 2014
Object Classification	Actual	Annualized CR Rate	Request
11.1 - Full-time permanent	16,492	17,300	20,250
11.3 - Other than full-time permanent	297	105	305
11.5 - Other personnel compensation	856	519	400
11.8 - Special personal services payments	650	1,010	1,025
11.9 - Personnel Compensation (Total)	18,295	18,934	21,980
12.0 - Personnel benefits	5,608	5,119	6,100
13.0 - Benefits for former personnel	9	0	0
Total Personnel and Compensation Benefits	\$23,912	\$24,053	\$28,080
21.0 - Travel and transportation of persons	1,041	600	550
23.1 - Rental payments to GSA	2,011	1,902	1,927
23.2 - Rental payments to others	0	0	750
23.3 - Communication, utilities, and misc charges	385	750	834
24.0 - Printing and reproduction	1	12	20
25.2 - Other services	818	16,300	11,858
25.3 - Other purchases of goods & serv frm Govt accounts	10,836	1,050	1,334
25.6 - Medical care	33	45	50
25.7 - Operation and maintenance of equip	58	210	215
26.0 - Supplies and materials	152	150	102
31.0 - Equipment	526	150	131
Total Non-Personnel	15,861	21,169	17,771
Total Budgetary Resources	\$39,773	\$45,222	\$45,851
Budget Activities:			
Audit	36,023	38,363	38,885
Investigations	6,818	6,859	6,966
Total Budgetary Resources	\$42,841	\$45,222	\$45,851
FTE	192	191	213

This table includes all available resources, including annual and available multi-year appropriations, reimbursable resources, offsetting collections and user fees.

2B – Appropriations Language and Explanation of Changes

Appropriations Language	Explanation of Changes
<p style="text-align: center;">DEPARTMENT OF THE TREASURY OFFICE OF INSPECTOR GENERAL Federal funds</p> <p style="text-align: center;">SALARIES AND EXPENSES</p> <p><i>For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, including hire of passenger motor vehicles, \$31,351,000; 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.</i></p>	

2C – Legislative Proposals

The OIG has no legislative proposals.

Section 3 – Budget and Performance Plan

3A – Audit

(\$24,385,000 from direct appropriations, and \$14,500,000 from reimbursable resources):

The Office of Audit conducts audits aimed to ensure the accountability of resources, protect information, and provide recommendations for improving the economy, efficiency, effectiveness and integrity of Treasury programs and operations under its jurisdiction. The requested funding for FY 2014 is necessary to perform mandated work and maintain an appropriate level of oversight of Treasury programs and operations consistent with its responsibilities under the Inspector General Act. As a newer responsibility, in FY 2014 the OIG must also provide oversight of Gulf Coast Restoration Trust Fund programs, projects and activities. Reimbursable funding supports agreements for contract audits of other Treasury bureaus, as well as oversight of the Small Business Lending Fund (SBLF) and the State Small Business Credit Initiative (SSBCI) programs. SBLF/SSBCI program oversight and expected performance is detailed in the SBLF/SSBCI Program Office budget submission.

Description of Performance:

In FY 2012, the Office of Audit completed a total of 91 audit products which exceeded the planned target of 70 audit products for the year due to the continuing impact of an unprecedented number of mandated failed bank reviews, many of which were either started in a previous fiscal year and completed in FY 2012 or were limited in scope. The Office plans to complete 70 audit products annually in FY 2013 and 75 audit products in FY 2014 which reflects productivity goals under more realistic circumstances and takes into consideration the start-up of oversight work for the Gulf Coast Restoration Trust Fund. In FY 2012, the Office met its mandated audit requirements. Audit products include audit reports, evaluation reports, the Inspector General's Semi-Annual Report to the Congress, and the Inspector General's Annual Memorandum to the Secretary on the most significant management and performance challenges facing the Department. Audit products can also include responses to specific information requests by the Congress on a variety of subjects, with the stand-up of the Consumer Financial Protection Bureau and Treasury's contingency planning during the 2011 debt limit crisis being recent examples. By completing independent and timely assessments of Treasury's programs and operations under jurisdiction, OIG supports its mission of promoting efficiency, effectiveness, and integrity of Treasury programs and operations. The recommendations for improvement in Treasury programs and operations noted through OIG's assessments, directly support the Treasury Department in achieving four of its five strategic goals (OIG also incidentally supports Treasury's strategic goal of "Pursue Comprehensive Tax and Fiscal Reform"). It should be noted that a number of these assessments are mandated in law with specific reporting deadlines so that decision makers have timely information.

The Office of Inspector General has a mature audit operation that can well estimate, based on historical performance, an accurate prediction of future performance. That said, it has over time demonstrated agility at redirecting resources as necessary to address new challenges and mandates of its stakeholders.

OIG's strategy is to continue to maintain a highly skilled and motivated workforce. One way this is done is through planning and executing a meaningful body of work designed to help ensure the integrity and effectiveness of Treasury programs and operations while looking for opportunities to improve them.

3.1.1 – Audit Budget and Performance Plan

Dollars in Thousands

Audit Budget Activity								
Resource Level	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
	Enacted	Enacted	Enacted	Enacted	Enacted	Enacted	Annualized CR Rate	Request
Appropriated Resources	\$11,561	\$12,512	\$20,116	\$19,721	\$22,435	\$22,823	\$22,963	\$24,385
Reimbursable Resources	\$1,795	\$6,052	\$7,381	\$16,000	\$8,000	\$13,200	\$15,400	\$14,500
Budget Activity Total	\$13,356	\$18,564	\$27,497	\$35,721	\$30,435	\$36,023	\$38,363	\$38,885

Measure	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
	Actual	Actual	Actual	Actual	Actual	Actual	Target	Target
Number of Completed Audit Products	64	64	68	68	126	91	70	75
Percent of Statutory Audits Completed by the Required Date	100.0	100.0	100.0	50.0	100.0	100.0	100.0	100.0

Key: N/A - Not in Effect; DISC - Discontinued; B - Baseline

3B – Investigations

(\$6,966,000 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 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. Investigative efforts are being directed towards those that subvert bank examination processes, subsequently defrauding the system and eroding the public's trust. Additionally, the OI remains committed to investigating those that threaten, intimidate, or harass Treasury employees in the performance of their duties. These types of complaints are received frequently given the ongoing economic problems.

Description of Performance:

In FY 2012, the OIG exceeded the Investigative Performance Measure target, opened 129 new investigations, and closed 85 investigations. The OIG also referred 100 percent of investigations that substantiated administrative violations against a Treasury employee to the appropriate

regulated bureau for action. In addition, the OIG referred 109 investigations for criminal prosecution. The OIG received investigative referrals regarding potential criminal misconduct that occurred prior to or during bank failures, and has worked criminal investigations with the FDIC Office of Inspector General (FDIC OIG) and the OIG Office of Audit regarding potential prosecution of acts which may have contributed to the bank failures. The Investigative performance measure is 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 OIG 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 OI is responsive to allegations and complaints referred to OI 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. This goal were developed for use beginning in FY 2012 to achieve OIG's goal of positively impacting Treasury's strategic goals and providing a more meaningful measurement of investigative performance.

The target for referral rates in FY 2012 was set at 80 percent, which was exceeded with a 90 percent referral rate. Achieving and exceeding this goal was due to policies and procedures in place designed to encourage and motivate agents, while holding them accountable for timely, thorough, and accurate investigations reporting. Through OI's case management system, cases were tracked for timely investigative steps, ensuring that documentation is complete, thorough, and accurately reported and enabling managers to monitor and maintain investigative momentum. In addition, agents were held accountable to these performance measures in their annual performance plans, managers were goal oriented and held accountable for the performance of their subordinates. Additionally, OIG's success can also be attributed to outreach to the Department's bureaus, other law enforcement agencies, and continued enhancement of its investigative resources. The same strategies and means will be implemented to achieve FY 2013 and FY 2014 targets.

3.1.2 – Investigations Budget and Performance Plan

Dollars in Thousands

Investigations Budget Activity								
Resource Level	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
	Enacted	Enacted	Enacted	Enacted	Enacted	Enacted	Annualized CR Rate	Request
Appropriated Resources	\$5,292	\$5,897	\$6,009	\$6,831	\$6,702	\$6,818	\$6,859	\$6,966
Budget Activity Total	\$5,292	\$5,897	\$6,009	\$6,831	\$6,702	\$6,818	\$6,859	\$6,966

Measure	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
	Actual	Actual	Actual	Actual	Actual	Actual	Target	Target
Percentage (%) of All Cases Closed During Fiscal Year that were Referred for Criminal/Civil Prosecution or Treasury Administrative Action	N/A	N/A	100.0	93.0	85.0	91.0	80.0	80.0

Key: N/A - Not in Effect; DISC - Discontinued; B - Baseline

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/downloaded here:

<http://www.treasury.gov/about/budget-performance/Pages/summary-of-capital-investments.aspx>