

Special IG for TARP

Program Summary by Budget Activity

(Dollars in thousands)

Appropriation	FY 2010 Enacted	FY 2011 Annualize CR Level	FY 2012 Request	FY 2010 to FY 2012 \$ Change	% Change
Audit	\$9,900	\$15,609	\$20,371	\$10,471	106%
Investigations	\$13,400	\$20,691	\$27,003	\$13,603	102%
Total Appropriated Resources	\$23,300	\$36,300	\$47,374	\$24,074	103%
Available no-year funds - S&E	\$20,100	\$13,068		(\$20,100)	-100%
Available PPIF funds	\$5,000	\$1,671	\$1,708	(\$3,292)	-66%
Total Program Operating Levels	\$48,400	\$51,039	\$49,082	\$682	1%

Activity	FY 2010 Enacted	FY 2011 Annualize CR Level	FY 2012 Request	Change FY10 to FY12 \$ Change	% Change
Audit	\$20,700	\$22,732	\$20,371	(\$329)	-2%
Investigations	\$27,700	\$28,307	\$28,711	\$1,011	4%
Total SIGTARP by Budget Activity	\$48,400	\$51,039	\$49,082	\$682	1%
Direct FTE	133	192	192	59	44%
Total FTE	133	192	192	59	44%

SIGTARP carried over \$36.2 million into FY 2011 in unobligated mandatory authority, of which \$22.5 million is for general operations and \$13.7 is for PPIF/TALF funds.

Summary

The 2012 President's Budget request for the Special Inspector General for Troubled Asset Relief Program (SIGTARP) includes funding to support the Department of the Treasury's strategic outcome of effectively managing the U.S. Government's finances as they relate to the Troubled Asset Relief Program (TARP). SIGTARP's top priority is to promote transparency in the management and operation of TARP, ensuring the satisfaction of the public's right to know how Treasury decides to invest the public's money, how it manages the assets it obtains, and how TARP recipients use these funds.

SIGTARP's mission is to advance economic stability by promoting the efficiency and effectiveness of TARP management, through transparency, through coordinated oversight,

and through robust enforcement against those, whether inside or outside of Government, who waste, steal or abuse TARP funds.

SIGTARP views its oversight role prospectively, retrospectively, internally, and externally. Prospectively, SIGTARP, among other things, advises Treasury on issues relating to compliance, internal controls and fraud prevention. Retrospectively, SIGTARP assesses the effectiveness of TARP activities over time and suggests improvements. Internally, SIGTARP's oversight role reaches to Treasury officials and to other government employees who manage TARP-related programs. Externally, it reaches to the recipients of TARP funds, the other private participants in TARP-related programs and to vendors that have been retained to assist Treasury in implementing TARP. SIGTARP also plays a significant external coordinating

role among TARP oversight bodies both to ensure maximum oversight coverage and to avoid redundant and unduly burdensome requests on Treasury personnel who manage the programs.

SIGTARP FY 2012 Budget Highlights

(Dollars in thousands)

Appropriation	Amount
FY 2010 Enacted	\$23,300
FY 2011 Annualized CR Level	\$36,300
Changes to Base:	
Adjustment to Reach Policy Level:	\$13,068
Adjustment to Reach FY 2011 President's Policy	\$13,068
Maintaining Current Levels (MCLs):	\$454
Maintaining Current Levels	\$454
Efficiencies, Savings & Base Reductions:	(\$2,448)
Efficiencies, Savings and Reductions	(\$2,448)
Subtotal FY 2012 Changes to Base	\$11,074
Total FY 2012 Base	\$47,374
Total FY 2012 Request	\$47,374

FY 2012 Budget Adjustments

FY 2011 Annualized CR Level

The FY 2011 annualized CR level for SIGTARP is \$36,300,000.

Adjustment to Reach Policy Level

Adjustment to Reach FY 2011 President's Policy +\$13,068,000 / +0 FTE

Adjustment to Reach FY 2011 President's Policy

Maintaining Current Levels (MCLs)

Maintaining Current Levels +\$454,000 / +0 FTE

Funds are required for inflation adjustments in non-labor expenses such as GSA rent adjustments, postage, supplies and equipment and health benefits and the increase in Federal

Employee Retirement System participation. No inflation adjustment is requested for pay in FY 2012.

Efficiencies, Savings & Base Reductions

Efficiencies, Savings and Reductions

-\$2,448,000 / +0 FTE

A reduction from the base level will be absorbed through general operating costs.

Explanation of Budget Activities

Salaries and Expenses

Audit (\$20,371,000 from direct appropriations)

Conducts, supervises, and coordinates programmatic audits with respect to Treasury's operation of TARP and the recipients' compliance with their obligations under relevant law and contracts; evaluates TARP policies and procedures; and provides technical assistance to Treasury.

Investigations (\$27,003,000 from direct appropriations)

Supervises and conducts criminal and civil investigations into those persons and entities, whether inside or outside of government, who waste, steal, or abuse TARP funds.

Legislative Proposals

SIGTARP has no legislative proposals for FY 2012.

SIGTARP Performance by Budget Activity

Budget Activity	Performance Measure	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Target	FY 2012 Target
Audit	Percent of Recommendations Implemented (Oe)(%)	N/A	100.0	43.0	70.0	70.0
Investigations	Percentage of Investigations Accepted by Prosecutors (Oe)(%)	N/A	95.0	100.0	55.0	55.0

Key: Oe - Outcome Measure, E - Efficiency Measure, Ot - Output/Workload Measure, M - Management/Cust. Satisfaction, DISC - Discontinued, and B - Baseline

Description of Performance

SIGTARP is continuing to set challenging performance goals with positive results. The Audit Division (AD) continues to review TARP policies and procedures including TARP agreements. A particular focus of the AD is ensuring that internal controls are in place and are complied with, both by Treasury in its management of TARP and by the recipients of TARP funds. Where controls or compliance are found to be lacking, or where particular aspects or policies are found ineffective at reaching TARP's goals, AD assists the Special Inspector General in preparing recommendations to resolve issues.

In the interests of maximizing criminal and civil enforcement, the Investigation Division (ID) coordinates closely with other law enforcement agencies with the goal of forming

law enforcement partnerships, including task force relationships, across the Federal government to leverage SIGTARP's expertise and unique position. ID also implements SIGTARP's Hotline which accepts and processes telephone, e-mail, website, and in-person complaints. One of SIGTARP's primary investigative priorities is to operate the SIGTARP Hotline to provide a simple, accessible way for the American public to report concerns of violations of criminal and civil laws in connection with TARP.