



Office of Inspector General

# SEMIANNUAL Report to Congress

April 1, 2022 through September 30, 2022



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# MESSAGE FROM THE INSPECTOR GENERAL

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I am pleased to introduce a new format for the Office of Inspector General (OIG) Semiannual Report to the Congress. Many thanks to the OIG staff that worked diligently during the last six months to bring this new product format to fruition.

This report is being submitted in accordance with Section 5 of the Government Accountability Office (GAO) Act of 2008 and summarizes the activities of the Office of Inspector General (OIG) for the second half of fiscal year 2022. During this reporting period, the OIG initiated work on two performance audits and continued work on an additional performance audit. We closed seven investigations and opened 22 new investigations. We processed 75 substantive hotline complaints, many of which were referred to other OIGs for action because the matters involved were within their jurisdictions. We remained active in the GAO and OIG communities by briefing new GAO employees on our audit and investigative missions, briefing GAO teams on the work of the GAO OIG, and participating in Council of Inspectors General on Integrity and Efficiency committees and working groups, including those related to the Pandemic Response Accountability Committee. Details of these activities and other OIG accomplishments are provided in this report. We post our audit, evaluation, and semiannual reports at [Inspector General | U.S. GAO](#) and [oversight.gov](#), a publicly-accessible, text-searchable website containing the latest reports from contributing federal inspectors general. In addition, OIG reports are included in the listing of available updates on GAO's GovDelivery subscription page. We continue to look for innovative ways to enhance our oversight efforts and increase the transparency of our work.

I would like to thank the OIG staff for their continued dedication to our mission and their professionalism. Thank you also to the Comptroller General, the Executive Committee, and GAO managers and staff for their continued cooperation and attention to the important work of our office.

*L. Nancy Birnbaum*  
*GAO Inspector General*

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# INTRODUCTION

## The United States Government Accountability Office

The U.S. Government Accountability Office (GAO) is an independent agency in the legislative branch of the federal government. Since 1921, GAO has supported Congress in meeting its constitutional responsibilities; helped to improve the performance of federal agencies and programs; and ensured the accountability of the federal government for the benefit of the American people.

GAO conducts its oversight mission by (1) auditing agency operations to determine whether federal funds are being spent efficiently and effectively; (2) investigating allegations of illegal and improper activities; (3) reporting on how well government programs and policies are meeting objectives; (4) performing policy analyses and outlining options for congressional consideration; and (5) issuing legal decisions and opinions, such as bid protest rulings and reports on agency rules.

## GAO's Office of Inspector General

Established as a statutory office by the Government Accountability Office Act of 2008, GAO's Office of Inspector General (OIG) independently conducts audits, evaluations, and other reviews of GAO programs and operations and investigates allegations regarding violations of statutes, policies, or orders involving GAO employees, contractors, programs, and operations. The OIG also makes recommendations to promote economy, efficiency, and effectiveness at GAO.

GAO OIG independently operates the OIG Hotline to receive complaints and information about fraud, waste, abuse, and mismanagement in GAO programs and operations. Allegations may be made confidentially or anonymously, and complainants are protected from retaliation for having submitted information to the OIG. Employees or contractors may submit complaints or allegations of wrongdoing via the OIG [web-based hotline](#) or by phone to (866) 680-7963.

# OIG STRATEGIC PUBLICATIONS

## Strategic Plan

The [OIG's Strategic Plan for Fiscal Years 2021-2025](#) identifies the vision, goals, objectives, and strategies for its activities under the authority of the Government Accountability Office Act of 2008, to promote efficiency, effectiveness, and integrity in GAO programs and operations. As discussed in the plan, the OIG supports GAO and Congress by helping to protect GAO programs and operations from fraud, waste, and abuse. Independent and objective audits, evaluations, and investigations are the primary methods for assessing GAO programs and operations and identifying risks to GAO, enhancing its ability to protect and maximize its resources.

## Top Management Challenges Facing GAO

Each year, the OIG is asked to comment on management's assessment and reporting of GAO's challenges for its annual [Performance and Accountability Report](#). OIG work has improved the reporting and transparency of GAO's management challenges and led to ongoing efforts to mitigate the risk these challenges pose to GAO's efficiency and effectiveness in carrying out its mission. Progress in addressing these challenges is monitored through the agency's annual performance and accountability process and OIG audits and evaluations. For fiscal year 2022, GAO identified management challenges in:

- continuing to thrive in the pandemic
- envisioning the future of work
- establishing information technology (IT) systems for the future of work
- improving the efficiency of engagements

The OIG identified infrastructure management as an additional challenge area, highlighting the impact that future of work opportunities may have on the agency's existing headquarters and

field leasing arrangements, and accompanying changes to GAO's workspace. The OIG will continue to monitor these challenges particularly as the agency navigates its operating posture going forward.

## Semiannual Reports to Congress

GAO OIG's [Semiannual Reports to Congress](#) describe the OIG's work on identifying problems, remedies, and investigative outcomes relating to the administration of GAO programs and operations that were disclosed during the reporting period. This semiannual report presents the results of the OIG's work for the period April 1, 2022, through September 30, 2022, including product and performance statistics for audits and investigations. It also provides an overview of each audit report and report of investigation issued, investigation closed, and, as appropriate, actions GAO took or initiated in response to those reports, as of the end of the reporting period.

# OIG INDEPENDENCE

GAO and OIG management work cooperatively in fulfilling the role of the OIG. There were no attempts by GAO to resist, object to, or interfere with OIG independence or delay OIG access to information during the reporting period.



# AUDITS

All OIG audit and evaluation reports, with the exception of reports on GAO's implementation of the Federal Information Security Modernization Act of 2014 (FISMA), are fully disclosed to the public. Due to the sensitive nature of issues identified, generally only summary pages of the FISMA report are made publicly available.

## Audit Reports Issued

The OIG did not issue any audit or evaluation reports during the last six months of fiscal year 2022. The OIG initiated two audits during the reporting period, the first of which assesses the extent to which GAO has maintained effective internal control over certain personal property during the pandemic. The focus of the second audit is the accuracy and completeness of GAO's cloud systems inventory and the security of its cloud migration strategy. The OIG also continued work on an audit assessing the adequacy of internal control for flexibly-priced contracts. OIG audit reports are available at [GAO OIG's website](#) and [oversight.gov](#).

Table 1 provides fiscal year summary statistics for open OIG recommendations as of September 30, 2022.

**Table 1: Summary of Reports with Unimplemented Recommendations as of September 30, 2022**

Fiscal Year	2022
Number of Reports with Unimplemented Recommendations	2
Number of Unimplemented Recommendations	5

Source: OIG assessment as of September 30, 2022.

## OIG Audit Recommendation Status

At the end of the prior reporting period, there were five open recommendations from two OIG audit reports. Table 2 summarizes the status of the actions planned or taken in response to the open recommendations.



**Table 2: Status of Agency Actions on Prior Period Open Recommendations as of September 30, 2022**

OIG Report	Recommendation	Status of actions planned or taken by GAO in response to the recommendation
<p><i>New Blue: Additional Efforts Could Improve Project Management Efficiency, <a href="#">OIG-21-1</a> (January 26, 2021)</i></p>	<p>Review and update procedures to ensure that a) schedule practices address all key project components; project schedules are baselined and appropriate risk analyses are performed; b) cost estimates fully meet best practices for comprehensiveness, accuracy, and credibility; and c) all project requirements are tracked and managed.</p>	<p><b>Closed</b></p> <p>GAO has addressed the recommendation by updating its policies and procedures relating to scheduling, cost estimation, and requirements management. GAO management has directed staff to adhere to the updated procedures for information technology projects with an estimated cost over \$100,000 beginning on July 1, 2022. Further, the agency indicated that it is developing training sessions to facilitate adoption of the revised project management practices.</p>
<p><i>Employee Debt: Opportunities Exist to Improve Timely Collection, <a href="#">OIG-22-1</a> (March 1, 2022)</i></p>	<p>Update the Human Capital Office's (HCO) debt collection standard operating procedure to specify when and how to use internal offset to collect debts owed to the agency more timely from separating employees.</p>	<p><b>Open</b></p> <p>HCO is collaborating with other GAO stakeholders to support its update of the debt collection standard operating procedure with implementation expected by December 2022.</p>
	<p>Establish a process and document procedures to carry out GAO's debt collection policy with respect to voluntary repayment agreements, to include requests for and documentation to verify the employee's ability to pay.</p>	<p><b>Open</b></p> <p>HCO is taking steps to establish a process and document procedures to carry out GAO's debt collection policy with respect to voluntary repayment agreements, with implementation expected by December 2022.</p>
	<p>Establish written procedures to ensure delinquent debts are promptly referred to Treasury for collection proceedings.</p>	<p><b>Open</b></p> <p>HCO is working with other GAO stakeholders to establish written procedures to ensure delinquent debts are promptly referred to the Department of the Treasury for collection proceedings, with implementation expected by December 2022.</p>

OIG Report	Recommendation	Status of actions planned or taken by GAO in response to the recommendation
<p><i>Information Security: Privacy Program Improvements Could Enhance GAO Efforts to Protect Data and Systems,</i>  <a href="#">OIG-22-2</a> (March 31, 2022)</p>	<p>Define and implement policies and procedures for incident response that align with NIST guidance for assessing privacy incident impacts.</p>	<p><b>Open</b></p> <p>GAO is updating its procedures for incident response and working to create an advisory group to assist with privacy-related issues and training, with expected implementation in the first quarter of fiscal year 2023.</p>
	<p>Define and implement policies and procedures for role-based privacy training which (a) identify who must regularly take the training, and (b) ensure annual compliance with such training.</p>	<p><b>Open</b></p> <p>GAO is in the process of developing and offering role-based training for individuals who access personally identifiable information in their work.</p>

Source: OIG assessment as of September 30, 2022.



# INVESTIGATIONS

The OIG contractor-run hotline is one of the primary sources of complaints or information for identifying suspected fraud and other problems, abuses, and deficiencies relating to the administration of GAO's programs and operations. As shown in Table 3, during this six-month reporting period, the OIG processed 75 substantive hotline complaints and 99 complaints that lacked sufficient information or appropriate basis for opening an investigation.

**Table 3: Summary of OIG Hotline Complaint Activity, April 1, 2022, through September 30, 2022**

Hotline complaints <b>OPEN</b> at the start of the reporting period	22
<b>NEW</b> hotline complaints received this reporting period	155
<b>TOTAL</b> Hotline complaints	177
Complaints <b>CLOSED</b> due to insufficient information or no basis for opening an investigation <sup>1</sup>	99
Complaints <b>CLOSED</b> (referred to other GAO offices)	1
Complaints <b>CLOSED</b> (referred to FraudNet <sup>2</sup> )	0
Complaints <b>CLOSED</b> (referred to Office of Audit within GAO OIG)	2
Complaints <b>CLOSED</b> (no jurisdiction and referred by the GAO OIG to appropriate agency OIG or other law enforcement offices <sup>3</sup> )	50
Complaints <b>CONVERTED</b> to Investigations	22
<b>TOTAL hotline complaints open at the end of the reporting period</b>	<b>3</b>

Source: OIG complaint statistics as of September 30, 2022.

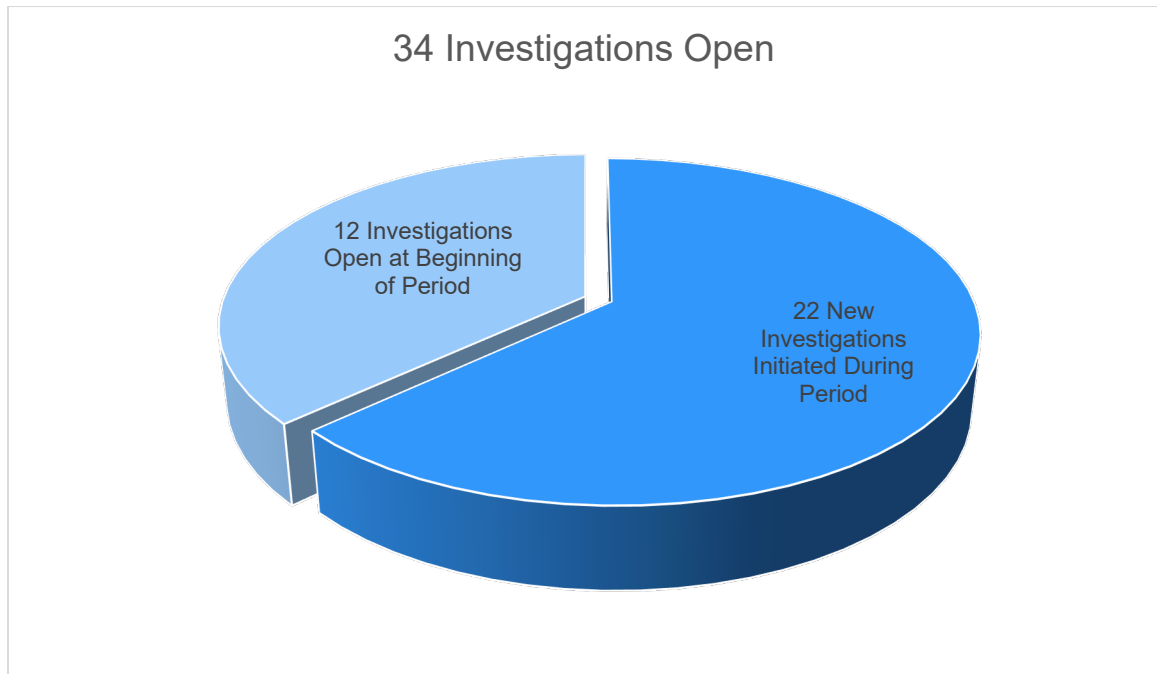
<sup>1</sup> These complaints generally did not involve GAO programs and operations, and lacked either (1) sufficient merit to warrant direct OIG referral to another federal or state organization, or (2) actionable information.

<sup>2</sup> FraudNet is a government-wide hotline operated by GAO staff on its Forensic Audits and Investigative Service team that receives complaints of fraud, waste, abuse, and mismanagement of federal funds.

<sup>3</sup> The OIG provided FraudNet with a copy of each referral made to federal entities outside of GAO.

As shown in Figure 1, the OIG had a total of 34 investigations open during the period. Twelve investigations were open at the beginning of the period, and 22 investigations were initiated during the reporting period.

**Figure 1: Summary of OIG Open Investigations, April 1, 2022, through September 30, 2022<sup>4</sup>**



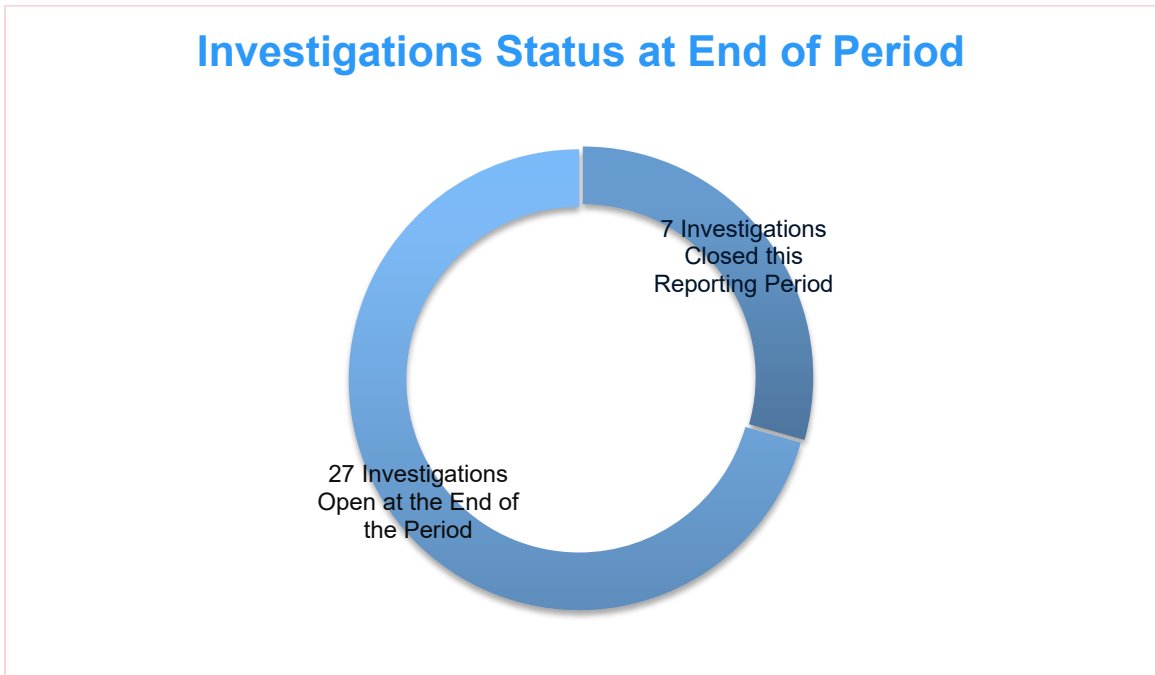
Source: OIG investigation statistics as of September 30, 2022.

<sup>4</sup> With regard to the investigations open at the beginning of the reporting period, three of these investigations were self-initiated or proactive inquiries that focus on potential areas of vulnerability. The investigations unit uses data analysis to look for outliers or areas of concern that require targeted investigative methods, such as interviewing subjects and witnesses. As such, these three investigations were not included in this chart in the previous semiannual report. In addition, three of these investigations resulted from proactive inquiries.

With regard to the investigations initiated during the period, all 22 of these cases were converted from hotline complaints to investigations.

As shown in Figure 2, the OIG closed seven investigations during the reporting period and had 27<sup>5</sup> investigations that remained open at the end of the period.

**Figure 2: Status of Investigations as of September 30, 2022**



Source: OIG investigation statistics as of September 30, 2022.

**Table 4: Summary of Reports of Investigation and Prosecution Activity, April 1, 2022, through September 30, 2022**

<b>Total investigative REPORTS issued during the reporting period</b>	<b>5</b>
Referred to and accepted for prosecution by the <b>DEPARTMENT OF JUSTICE</b>	0
Referred to and accepted for prosecution by <b>STATE/LOCAL PROSECUTOR</b>	0
<b>Total referrals accepted for CRIMINAL PROSECUTION</b>	<b>0</b>
<b>Total INDICTMENTS/INFORMATION OBTAINED during reporting period</b>	<b>0</b>

Source: OIG investigation statistics as of September 30, 2022.

<sup>5</sup>This number includes three proactive inquiries and two investigations that resulted from proactive inquiries.

## Significant Investigations

### Teleworking from Outside the United States

The OIG previously identified a GAO employee teleworking from outside the United States in violation of GAO policy but with their supervisor's verbal approval. On September 22, 2021, the OIG issued a Report of Investigation (ROI) regarding the employee and their supervisor, a Senior Government Employee (SGE). The SGE was previously counseled by management; however, the employee was unavailable, so GAO has not taken further administrative action. As a result, the case remains open (G-21-0403-O).

Because of the issues identified in the above investigation, the OIG initiated a proactive inquiry to determine whether GAO employees were teleworking outside the United States during GAO's maximum telework posture due to the pandemic. The proactive inquiry resulted in the initiation of two investigations, and GAO referred information to the OIG resulting in two additional investigations regarding international telework. Two of the four investigations involving international telework remained open at the end of the previous period.

In one case, the OIG issued two ROIs on June 30, 2022. The ROI involving the employee included evidence that the employee, a holder of a Top Secret/Sensitive Compartmented Information security clearance, intentionally failed to notify GAO's Security and Emergency Management (SEM) about obtaining a foreign passport and lacked candor during interactions with their management and the OIG. The employee's security clearance was suspended as a result of the issues involved in the investigation; however, the employee resigned from GAO before disciplinary action could be taken. The ROI involving the supervisor, an SGE, included evidence that the SGE failed to notify the office's security manager or GAO's SEM about the employee's travel arrangements and approved the employee's telework outside the United States. On August 30, 2022, the SGE received a letter of counseling. The case was closed on September 30, 2022 (G-21-0506-O).

For the second international telework investigation, the OIG issued an ROI on September 15, 2021. The ROI included evidence that an SGE approved an employee's telework from outside the United States. During the current period, the SGE received a letter of counseling, and the investigation was closed on September 29, 2022 (G-21-0462-O).

### Mishandling of GAO Sensitive Information

On May 13, 2022, the OIG received a referral from GAO involving an SGE who failed to safeguard sensitive GAO documents and information. During the course of the investigation, the OIG identified two additional employees, including another SGE, who failed to safeguard GAO sensitive information. On September 30, 2022, the OIG issued ROIs for each case, finding that the three individuals sent numerous sensitive documents to and from their personal email accounts without password protection. The three cases remain open pending responses from GAO and were not disclosed previously. (G-22-0318-O, G-22-0349-O, and G-22-0352-O)

## Other Investigations

In addition to the two investigations identified as closed above, the OIG closed five investigations during the period, none of which were previously disclosed publicly. A summary of those investigations is provided in Table 5.

**Table 5: Closed Investigations Not Previously Disclosed Publicly, April 1, 2022, to September 30, 2022**

Subject	Results	Completed
<p><b>Improper Garnishment</b></p> <p>The complainant alleged that GAO was assisting an employee in avoiding payment of their court-ordered debt. (G-22-0120-HL-P)</p>	<p>The OIG found that there was an issue regarding misspelling of the payee's name and input errors. Despite these issues, the recipient had since received full payment of the court-ordered debt.</p>	<p>June 28, 2022</p>
<p><b>Misdirection of Garnishment Payments</b></p> <p>The complainant alleged that garnishment payments were misdirected to and deposited by the GAO employee from whom they were collected. (G-22-0229-P)</p>	<p>The OIG found that there were input errors regarding the payee on the checks issued for the garnished wages. GAO corrected the error and reinstated garnishment of the employee's wages, which fulfilled the court-ordered debt payments.</p>	<p>June 28, 2022</p>
<p><b>Handling of Hostile Work Environment Complaint</b></p> <p>The complainant alleged that GAO failed to follow its process for handling hostile work environment claims. (G-22-0387-HL-P)</p>	<p>The OIG reviewed the process for handling of claims and concluded that the process was followed. As a result, the OIG did not substantiate the allegation.</p>	<p>August 30, 2022</p>
<p><b>False Timecards and Outside Employment</b></p> <p>The complainant alleged that a GAO employee committed timecard fraud and may have engaged in unreported outside employment while in Leave Without Pay status. (G-22-0255-P)</p>	<p>The employee separated from GAO prior to the completion of the OIG investigation, so the investigation was closed.</p>	<p>September 13, 2022</p>



Subject	Results	Completed
<p><b>Improper Leave and Credit Hours Claimed</b></p> <p>The complainant alleged that a GAO employee falsely recorded leave and credit hours on their timecards. (G-22-0023-HL-P)</p>	<p>The OIG reviewed the records and found no evidence to substantiate the allegation.</p>	<p>September 30, 2022</p>

Source: OIG investigative activity statistics as of September 30, 2022

## Ongoing Matters Referred For Prosecution



During the period, the OIG continued to lead a task force involving a phishing attempt to divert the paychecks of several senior GAO, executive branch, and state agency officials to fraudulent bank accounts. The task force includes the OIGs for the Federal Housing Finance Agency, Department of Energy, National Archives and Records Administration, and National Endowment for the Humanities. Other task force members include the Secret Service, the Federal Bureau of Investigation, and Maryland State Police. The task force is working with the District of Columbia U.S. Attorney's Office to develop the case for prosecution. (G-19-0077-O)

# OTHER ACTIVITIES

## Activities within GAO

OIG leadership continued its discussion of the duties, responsibilities, and authorities of the OIG with participants in GAO's new employee orientation program. In addition, OIG leadership met with senior staff, conducted briefings for OIG teams, attended weekly senior staff meetings, and met periodically with the Audit Advisory Committee and staff of the independent public accounting firm conducting GAO's annual financial statement audit.

## Activities within the Inspector General Community

The OIG participated with and responded to requests for information from the Pandemic Response Accountability Committee (PRAC), established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act.<sup>6</sup>

The OIG continued to participate in the Council of Inspectors General on Integrity and Efficiency (CIGIE), a council of federal inspectors general that promotes collaboration on issues of economy, efficiency, and effectiveness that transcend individual agencies. As part of its statutory responsibilities, the OIG reviewed and provided comments through CIGIE pertaining to legislative proposals of interest to the Inspector

General community, including H.R. 2662, the IG Independence and Empowerment Act, and H.R. 7900, the National Defense Authorization Act for FY2023. OIG leadership regularly participated in monthly CIGIE meetings and periodic meetings with other OIGs designed to address issues common to smaller OIGs. OIG leadership also participated in periodic CIGIE Audit and Investigations Committee meetings, meetings of Assistant Inspectors General for Investigations, various CIGIE investigative working groups, CIGIE Legislation Committee meetings, and Council of Counsels to Inspectors General meetings.

## Freedom of Information

During the current reporting period, the OIG processed three requests for information under GAO's access regulation, 4 C.F.R. Part 81, and issued two administrative subpoenas.

## Whistleblower Retaliation

The GAO OIG has no statutory authority to investigate allegations of whistleblower retaliation. Although GAO is not subject to the Whistleblower Protection Act or the Whistleblower Protection Enhancement Act, GAO personnel management system controls are intended to protect GAO employees from prohibited personnel practices.

<sup>6</sup> Public Law 116-136.

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## OIG Mission

Our mission is to protect GAO's integrity through audits, investigations, and other work focused on promoting the economy, efficiency, and effectiveness in GAO programs and operations, and to keep the Comptroller General and Congress informed of fraud and other serious problems relating to the administration of GAO programs and operations.

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## Reporting Fraud, Waste, and Abuse in GAO's Programs and Operations

To report fraud and other serious problems, abuses, and deficiencies relating to GAO programs and operations, you can do one of the following (anonymously, if you choose):

- Call toll-free (866) 680-7963 to speak with a hotline specialist, available 24 hours a day, 7 days a week.
- Visit [GAO OIG Listening Line](#)

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## Obtaining Copies of OIG Reports and Testimonies

To obtain copies of OIG reports and testimonies, go to GAO's website: [Inspector General | U.S. GAO](#) or [Oversight.gov | All Federal Inspector General Reports In One Place](#).

