



Office of Inspector General
U.S. Government Accountability Office

SEMIANNUAL REPORT TO CONGRESS

October 1, 2018, through March 31, 2019





O I G

Office of Inspector General

United States Government Accountability Office

April 26, 2019

To: Gene L. Dodaro
Comptroller General of the United States

From: Adam R. Trzeciak
Inspector General

Subject: Semiannual Report to Congress—October 1, 2018, through March 31, 2019

I am pleased to submit this report in accordance with Section 5 of the Government Accountability Office Act of 2008.¹ The report summarizes the activities of the Office of Inspector General (OIG) for the first reporting period of fiscal year 2019. The Act requires that you transmit the report to Congress within 30 days after receipt. Your transmittal should also include any comments you consider appropriate.

During this reporting period, we continued or initiated fieldwork on three audits and completed a peer review of the Office of Inspector General at the Corporation for National and Community Service. We also closed 11 investigations and opened 4 new investigations. In addition, we processed 53 hotline complaints, many of which were referred to other OIGs for action because the matters involved were within their jurisdictions. Our work continues to focus on strengthening controls and improving GAO's efficiency and effectiveness in key management challenge areas—including human capital management and information technology.

We post our audit, evaluation, and semiannual reports on gao.gov 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 appreciate my team's dedication and professionalism in their continuing efforts to help GAO improve its operations. Their hard work and accomplishments are reflected in the attached report. I also thank GAO's Executive Committee, managers, and staff for their cooperation and attention to the important work of our office.

Attachment

¹31 U.S.C. § 705 (2012).

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. GAO exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and ensure the accountability of the federal government for the benefit of the American people. It supports congressional oversight 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 their 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.

The 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 makes recommendations to promote economy, efficiency, and effectiveness in GAO. The OIG also investigates allegations of fraud, waste, and abuse, including the possible violation of law or regulation within GAO.

OIG STRATEGIC PUBLICATIONS

Strategic Plan

The OIG's [Strategic Plan for Fiscal Years 2016-2020](#) 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.

Biennial Work Plan—Fiscal Years 2019 and 2020

The OIG's biennial work plan provides a brief description of audits and other work planned for fiscal years 2019 and 2020 and an overview of its investigations program. In addition, the plan sets forth OIG's formal strategy for identifying priority issues and managing its workload and resources.

Top Management Challenges Facing GAO

Similar to other federal agencies, GAO faces mission challenges including (1) managing a quality workforce, (2) improving the efficiency of GAO engagements, and (3) ensuring the

confidentiality, integrity, and availability of GAO’s information technology services. GAO’s management challenges are primarily self-identified. Progress in addressing these challenges is monitored through the agency’s annual performance and accountability process and OIG audits and evaluations. 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 resulted in improved reporting and transparency of GAO’s management challenges and the efforts under way to mitigate the risk these challenges pose to GAO’s ability to efficiently and effectively support Congress and the American people.

Semiannual Reports to Congress

GAO’s OIG [Semiannual Reports to Congress](#) describe the OIG’s work on identifying problems, abuses, deficiencies, 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 reporting period October 1, 2018, through March 31, 2019, including product and performance statistics for both audits and investigations. It also provides an overview of each audit report issued and actions taken or initiated by GAO in response to those audit reports, as of the end of the reporting period.

ACTIVITIES OF THE OFFICE OF INSPECTOR GENERAL

GAO and OIG management work cooperatively in fulfilling the role of the OIG. In that light, 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.

Timely resolution of outstanding recommendations continues to be a priority for both the agency and the OIG. GAO concurred with all OIG recommendations and provided agency comments within 60 days of each OIG audit report’s issuance date. Table 1 provides fiscal year summary statistics for unimplemented OIG recommendations as of March 31, 2019.

Table 1: Fiscal Year Summary Statistics Related to Unimplemented OIG Recommendations, as of March 31, 2019

| Fiscal Year | Number of Reports with Unimplemented Recommendations | Number of Unimplemented Recommendations |
|--------------|--|---|
| 2018 | 1 | 3 |
| 2019 | 0 | 0 |
| Total | 1 | 3 |

Source: OIG assessment as of March 31, 2019.

Audits and Evaluations

All OIG audit and evaluation reports, with the exception of some past reports on GAO’s compliance with Federal Information Security Modernization Act of 2014 (FISMA) requirements, are fully disclosed to the public. Due to the sensitive nature of issues

identified, generally only summary pages of previous FISMA reports have been made publicly available.

OIG Reports, Status of Current Period Recommendations, and Other Work

The OIG did not issue any audit or evaluation reports within the reporting period. Fieldwork continued on an audit of telework eligibility assessing the extent to which GAO has established effective controls to ensure compliance with eligibility requirements in the Telework Enhancement Act of 2010 and GAO policy. The OIG also initiated audits of GAO’s information security controls and practices, and of its compliance with the Digital Accountability and Transparency (DATA) Act of 2014.

OIG reports are available at gao.gov and oversight.gov.

Status of Prior Period Unimplemented OIG Audit Recommendations

At the end of the prior reporting period (September 30, 2018), there were five unimplemented recommendations from two audits.² During the current period, the OIG closed two prior-period recommendations related to GAO’s use of law enforcement availability pay (LEAP). GAO has efforts under way to address the three remaining prior-period recommendations intended to strengthen its information security program.

Table 2 summarizes the status of actions planned or taken in response to recommendations made in prior reporting periods, as of March 31, 2019.

Table 2: Status of Agency Actions on Prior-Period Unimplemented OIG Recommendations, as of March 31, 2019

| OIG reports | Recommendations | Status of actions planned or taken by GAO in response to the recommendations |
|---|---|--|
| <i>Law Enforcement Availability Pay: Premium Pay Compensation Not Supported by Agency Need, OIG-18-2</i> (March 26, 2018) | Evaluate the need for criminal investigators to work or be available to work beyond a 40-hour workweek in support of GAO’s investigative needs. If the evaluation determines the work beyond a 40-hour workweek is not consistent with GAO’s needs or the intent of the LEAP Act to compensate criminal investigators for working excessive and unusual hours, implement actions to remedy the situation. | Recommendation: Closed GAO’s Forensic Audits and Investigative Service (FAIS) took action to increase utilization of its criminal investigators, thereby increasing the ratio of LEAP hours to total hours worked. FAIS completed its initial evaluation of the agency’s need for criminal investigators and concluded based on the increase in investigative workload and staff changes, the current number of six criminal investigators was appropriate. FAIS management stated its intent to continue to evaluate whether the number and mix of investigators is appropriate during future workforce planning. |

²OIG, *Semiannual Report—April 1, 2018, through September 30, 2018, OIG-19-1SP* (October 18, 2018).

| OIG reports | Recommendations | Status of actions planned or taken by GAO in response to the recommendations |
|--|---|---|
| | <p>Modify WEBTA to ensure that the year-to-date cumulative calculation of criminal investigators' annual average of unscheduled duty hours complies with the substantial hours requirement for determining eligibility for LEAP premium pay.</p> | <p>Recommendation: Closed Until the long-term solution of enhancements to or replacement of GAO's time and attendance system is implemented, FAIS management has implemented a manual process for reviewing each investigator's time sheet and tracking compliance with the LEAP substantial hours requirement, including ensuring the reliability of the calculation. Although concerned about the sustainability of FAIS's interim solution, given the small number of criminal investigators and management's intent to implement a long-term solution, the actions taken meet the intent of the recommendation.</p> |
| <p><i>INFORMATION SECURITY: Review of GAO's Program and Practices for Fiscal Years 2016 and 2017</i> OIG-18-4 (July 17, 2018)</p> | <p>Document and implement a process to evaluate current and future enterprise IT investment portfolio assets, including risks, and ensure alignment with GAO's IT Strategy for fiscal years 2017-2019.</p> | <p>Recommendation: Open GAO plans to finalize its Enterprise Risk Management Program Plan and develop procedures for implementation to ensure IT investments support GAO's Strategic Plan and IT Strategy, monitor progress towards achieving IT strategic objectives, and effectively manage IT risk at the enterprise level. GAO expects to complete this work by the end of September 2019.</p> |
| | <p>Document plans, policies, and procedures for identifying, prioritizing, and mitigating operational risk related to establishing full failover capabilities at the Alternate Computing Facility (ACF) in the event of a disaster and preparing for end-of-support upgrades for Windows 7.</p> | <p>Recommendation: Open GAO is actively working on contingency efforts, which includes replacement of the agency's current virtual desktop infrastructure and migration from the Windows 7 to the Windows 10 operating system. GAO expects to perform this work in parallel, complete both projects, and test failover capability by the end of September 2019. This timeline is crucial as extended support for Windows 7 ends on January 14, 2020.</p> |
| | <p>Document and implement a process to identify and track hardware and software interdependencies for GAO's system inventory including vendor support data, such as end-of-life or end-of-support dates.</p> | <p>Recommendation: Open GAO has developed a software inventory and is in the process of creating and validating a hardware inventory that will then be incorporated into a central repository. GAO expects to complete this work by the end of June 2019.</p> |

Source: OIG assessment as of March 31, 2019.

Complaints and Investigations

The OIG hotline is the primary source 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, the OIG processed 53 hotline complaints during this 6-month reporting period.

Table 3: Summary of OIG Hotline Complaint Activity, October 1, 2018, through March 31, 2019

| | |
|--|-----------|
| Hotline complaints open at the start of the reporting period | 5 |
| New hotline complaints received this reporting period | 48 |
| Total hotline complaints | 53 |
| Complaints closed (referred to other GAO offices) | 13 |
| Complaints closed (referred to FraudNet ^a) | 3 |
| Complaints closed (no jurisdiction and referred by the GAO/OIG to appropriate agency OIG or other law enforcement offices ^b) | 36 |
| Complaints converted to investigations | 1 |
| Total hotline complaints open at the end of the reporting period | 0 |

Source: OIG hotline summary statistics as of March 31, 2019.

^aFraudNet is a government-wide hotline operated by GAO staff in FAIS that receives complaints of fraud, waste, and abuse of federal funds spent by other federal agencies.

^bFraudNet was provided a copy of each referral made outside of GAO.

In addition to the 53 hotline complaints shown in Table 3, the OIG received 64 complaints that were closed due to insufficient information or no basis for us to open an investigation. 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.

As shown in table 4, there were 24 open investigations during this reporting period. At the end of the reporting period, 13 investigations remained open. The OIG issued four Reports of Investigation and referred one investigation for criminal prosecution.

Table 4: Summary of OIG Investigations, October 1, 2018, through March 31, 2019

| | |
|---|-----------|
| Investigations open at the start of the reporting period | 20 |
| New investigations initiated this reporting period | 4 |
| Total investigations | 24 |
| Investigations closed this reporting period | 11 |
| Total investigations open at the end of the reporting period | 13 |
| Total investigative reports issued during reporting period^a | 4 |
| Referred to Department of Justice | 1 |
| Referred to state/local prosecutor | 0 |
| Total referrals for criminal prosecution | 1 |
| Total indictments/information obtained during reporting period | 1 |

Source: OIG investigative activity statistics as of March 31, 2019.

^aFor reporting purposes, the OIG identifies the same investigative report issued to multiple recipients (e.g., a prosecutor and GAO management) as a single report.

Investigations Closed in the Current Period

The 11 investigations closed during the period were not previously disclosed publicly. A summary of these investigations is provided in table 5 below.

Table 5: Closed Investigations Not Previously Disclosed Publicly, October 1, 2018, through March 31, 2019

| Subject | Results | Completed |
|--|--|-------------------------|
| <p>1. Material Omission from Background Investigation. Anonymous hotline complaint that a senior executive failed to disclose, on required documentation, a prior bankruptcy. (G-18-0292-HL-P) (GS-15 or above equivalent)</p> | <p>The investigation identified that the senior executive made the appropriate disclosure on related forms. This investigation was closed.</p> | <p>October 9, 2018</p> |
| <p>2. Analyst Viewing Sexually Suggestive Content. Hotline complaint that an analyst was observed viewing inappropriate material on their computer. (G-18-0159-HL-S)</p> | <p>The investigation corroborated the allegation. Management disciplined the employee with a letter of reprimand. This investigation was closed.</p> | <p>October 19, 2018</p> |
| <p>3. Telework. Anonymous hotline complaint that an analyst was being flagged quarterly on the agency telework abuse report. (G-18-0230-HL-P)</p> | <p>The investigation did not substantiate the allegation. This investigation was closed.</p> | <p>March 4, 2019</p> |
| <p>4. Program Fraud. Anonymous hotline complaint that an executive assistant falsified a relative's date of birth in order to obtain government program benefits early. Additionally, the complaint alleged the executive assistant lied on background investigation documentation and timesheets. (G-18-0114-HL-P)</p> | <p>The investigation identified that the executive assistant submitted a date of birth change that added 3 months to the family member's age. This change did not result in any significant benefit(s). The executive assistant's background re-investigation was being conducted concurrently. Therefore, the OIG referred the complaint to the background investigator for consideration. This investigation was closed.</p> | <p>March 15, 2019</p> |
| <p>5. Falsification of Employment Qualifications / Work Experience. Anonymous hotline complaint that a contract employee fraudulently claimed experience and certifications on their resume. (G-18-0136-HL-O)</p> | <p>The investigation corroborated the allegation that the contractor falsified employment experience and credentials/certifications on their resume and security clearance paperwork. The contractor resigned prior to completion of the investigation. As a result, this investigation was closed.</p> | <p>March 26, 2019</p> |

| Subject | Results | Completed |
|--|--|----------------|
| 6. Time and Attendance. Hotline complaint that a contract specialist submitted falsified timesheets and failed to provide proof to support reserve military time claimed. (G-18-0242-HL-P) | The investigation identified significant discrepancies in the employee's official time charges. Information obtained from the respective military department supported the employee's claim for military time. However, the employee resigned from GAO prior to the completion of the investigation. As a result, this investigation was closed. | March 27, 2019 |
| 7. Political Activity. Anonymous hotline complaint that a political activist group produced a video involving the surreptitious recording of a GAO analyst. In the video the analyst admits to engaging in political activity while working, both at the office and during telework. (G-18-0317-HL-O) | Aside from the employee's statements in the video, the investigation did not identify any information to substantiate the allegations. GAO removed the employee from their position. The investigation was closed. | March 27, 2019 |
| 8. Telework. Anonymous hotline complaint that an analyst engaged in outside employment while reporting to be teleworking. (G-18-0212-HL-P) | The investigation did not substantiate the allegations. The investigation was closed. | March 28, 2019 |
| 9. Time and Attendance. Anonymous hotline complaint that an assistant director was committing time and attendance fraud by arriving late, spending 2 hours at the gym and taking long lunch breaks. (G-18-0003-HL-P) (GS-15 or above equivalent) | The investigation did not substantiate the allegations. The investigation was closed. | March 31, 2019 |
| 10. Outside Employment Activity. Anonymous hotline complaint that an analyst engaged in outside employment activity during work hours. (G-19-0056-HL-P) | The investigation identified that the employee utilized agency resources in furtherance of outside employment activities. The employee resigned prior to the completion of the investigation. As a result, the investigation was closed. | March 31, 2019 |
| 11. Falsification of Reasonable Accommodations Documentation. A management referral that a support staff employee altered medical documentation previously completed by a medical provider. (G-19-0036-P) | The investigation identified that the medical documentation was not altered by the employee. Rather, the medical provider did, in fact, complete the updated documentation. This investigation was closed. | March 31, 2019 |

Source: OIG investigative activity statistics as of March 31, 2019.

As shown in table 5, two investigations closed during the 6-month period involved staff at a GS-15-level or above. Neither allegation was substantiated.

The GAO IG 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.

Of the 11 closed investigations during this reporting period, only two resulted in criminal, civil, and/or administrative action(s). These two closed investigations are summarized further below.

(G-18-0159-HL-S: Table 5, #2) – Analyst Viewing Sexually Suggestive Content. The OIG received a hotline allegation that an analyst was viewing inappropriate content on a GAO-issued computer at the office. The complaint described the content as “scantly clad women in bikinis.” The investigation corroborated that the subject did in fact access sexually suggestive content and the content did not include any nudity. Agency management issued the employee a letter of reprimand.

(G-18-0136-HL-O: Table 5, #5) – Falsification of Employment Qualifications/Work Experience. The OIG received an anonymous hotline allegation that a contract employee fraudulently claimed experience and certifications on their resume. Additionally, the anonymous complainant alleged the contractor intended to steal government data in order to divulge it to “adversaries and attackers.” The OIG investigation corroborated the allegation that the contractor falsified employment experience and credentials/certifications on their resume and security clearance paperwork. The contractor resigned on the day the OIG reached out to arrange an interview. On December 11, 2018, the OIG issued its investigative report to GAO management with a response due by February 9, 2019 (60 days). On February 7, 2019, management forwarded its disposition which stated the agency took routine steps for removing access and collecting issued equipment when the contractor resigned. After receiving the OIG report, the agency determined the contractor did not: have global administrative access; access documents outside of their responsibilities; send emails with sensitive information to external destinations; or request to download data from the network. Finally, there were no specific concerns raised by GAO’s Data Loss Prevention Tool.

Matters Referred for Prosecution

During the period, the OIG investigated alleged falsification of reasonable accommodation documentation. (G-19-0036-P: Table 5, #11) The matter was declined by the U.S. Attorney’s office. The investigation ultimately disproved the allegation.

Matters for Management Consideration

On March 29, 2019, the OIG issued an alert to GAO management based on vulnerabilities identified during an investigation into a privacy incident due to unauthorized activity by a GAO employee. The management alert contains three matters for management consideration to address the vulnerabilities and to help GAO more fully implement federal and GAO information security requirements in systems and services provided to GAO by external service providers.

Other Activities

Congressional Matters

The Inspector General (IG) provided a briefing to congressional staff on the events involving a GAO employee who was surreptitiously recorded by a political activist organization. In the video, the employee claimed to be engaged in outside activities during work hours, as noted in table 5, item 7 above.

Activities within GAO

OIG leadership discusses the duties, responsibilities, and authorities of the OIG with participants in GAO's new employee orientation program. In addition, OIG leadership attends weekly senior staff meetings, and meets periodically with the external financial statement auditor and the GAO Audit Advisory Committee. The OIG designs and administers annual training for GAO on "Fraud, Waste, and Abuse," which all employees and contractors are required to complete through eLearning in the spring of each year. Also, the OIG has begun an effort to highlight its investigative work with all GAO staff by attending team staff meetings to discuss key investigative areas, processes, and outcomes.

Activities within the Inspector General Community

The IG participated in a panel discussion on cybersecurity and human resource challenges from the auditors' perspective at a March 2019 forum hosted by the International Consortium on Government Financial Management.

The OIG continued to participate on the Council of Inspectors General on Integrity and Efficiency (CIGIE), which promotes collaboration on issues of economy, efficiency, and effectiveness that transcend individual agencies. OIG leadership regularly participated in monthly CIGIE meetings, quarterly Legislative Branch Inspectors General meetings, and periodic meetings with other OIGs designed to address issues common to smaller OIGs. The Assistant Inspector General for Investigations (AIGI) participated in monthly CIGIE Investigations Committee meetings, quarterly AIGI meetings, and various investigative working groups. The Counsel to the Inspector General participated in monthly CIGIE Legislation Committee meetings and Council of Counsels to Inspectors General meetings.

In addition, the OIG responded to requests from OIGs for support in developing internal operating policies and procedures. The OIG continues to increase public access to and transparency of its work by posting its audit, evaluation, and semiannual reports on the GAO and CIGIE websites, gao.gov and oversight.gov, respectively. Oversight.gov is a publicly accessible, text-searchable website containing public reports from contributing federal inspectors general who are CIGIE members.

Freedom of Information

During the current reporting period the OIG received and processed four access requests under GAO's access regulation, 4 C.F.R. Part 81.

Audit Peer Review Activities

Government Auditing Standards require that each organization performing audits in accordance with these standards have an external peer review. The objectives of a peer review are to determine whether an effective quality control system has been established in the office and if policies, procedures, and applicable government auditing standards are followed. Peer reviews of OIGs must be performed at least once every 3 years by reviewers independent of the audit organization being reviewed. The reviews are conducted in accordance with guidelines established by CIGIE. Audit organizations can receive a rating of pass; pass with deficiencies; or fail.

GAO OIG received a rating of "pass" on its latest peer review, which is posted on the OIG webpage at gao.gov/ig. The next peer review is scheduled for fiscal year 2021. In December 2018, the OIG completed a peer review of the Corporation for National and Community Service (CNCS) OIG, the results of which are publicly available on the CNCS OIG website.

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.

Reporting Fraud, Waste, and Abuse in GAO's Internal 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 <https://OIG.alertline.com>.

Obtaining Copies of OIG Reports and Testimonies

To obtain copies of OIG reports and testimonies, go to GAO's website: www.gao.gov/about/workforce/ig.html or <https://www.oversight.gov/reports>, created by the Council of Inspectors General on Integrity and Efficiency.

