

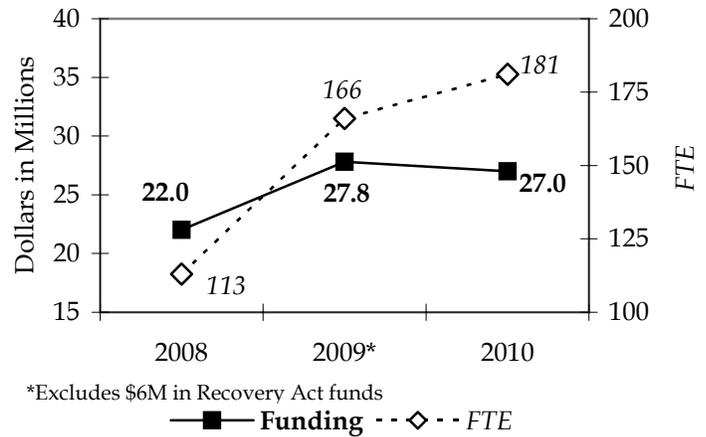
Office of the Inspector General

The Office of the Inspector General (OIG) ensures that Department of Commerce employees and others managing Federal resources comply with applicable laws and regulations, and actively work to prevent fraud, waste, and abuse in program operations. Through audits, inspections, evaluations, and investigations, OIG monitors and tracks the use of taxpayer dollars in Federally funded programs. OIG's purpose is to keep the heads of the various Department of Commerce bureaus, the Office of the Secretary, and Congress fully and currently informed about issues, problems, and deficiencies relating to the administration of programs and operations and the need for corrective action.

The audit function involves performance and financial audits and attestation engagements.

Performance audits address the efficiency, effectiveness, and economy of the Department's programs, activities, and information technology systems. Financial audits focus on compliance with generally accepted accounting principles, internal controls set forth by the Office of Management and Budget, and financial laws and regulations. Attestation engagements utilize agreed-upon procedures to examine and report results on a particular subject matter. Inspections are designed to give agency managers timely and useful information about operations, including current and foreseeable problems. Program evaluations are in-depth reviews of specific management issues, policies, or programs, while systems evaluations focus on system development, acquisitions, operations, and policy of computer systems and other technologies. The investigative function focuses on alleged or suspected improper and illegal activities involving employees, contractors, recipients of financial assistance, and others responsible for handling Federal resources. OIG focuses on programs and operations with the greatest potential for identifying fraud, recovering funds, precluding unnecessary outlays, and improving management.

Budget Authority and FTE



Summary of Appropriations

<u>Funding Levels</u>	2008	2009	2010	Increase
<u>Appropriation</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>(Decrease)</u>
Inspector General	\$22,020	\$25,800	\$27,000	\$1,200
Recovery Act		6,000		(6,000)
	22,020	31,800	27,000	(4,800)
Transfer from Census, Decennial Census	3,000			0
Transfer from NTIA, Broadband		10,000		(10,000)
Technology Opportunities Program		2,000		(2,000)
Transfer from PTO (Reimbursable)				
Total Budget Authority	25,020	43,800	27,000	(16,800)
FTE				
Inspector General Direct	113	152	181	29
Inspector General Reimbursable	0	14	0	(14)
Total	113	166	181	15

Highlights of Budget Changes

Appropriation: Office of the Inspector General

Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
2009 Appropriation			138	\$25,800
Recovery Act Appropriation			14	6,000
Total Appropriation			152	31,800
Adjustments to Base				
Non-recurring costs			(14)	(6,000)
FTEs from Recovery Act Carryover			36	
<u>Other Changes</u>				
2009 Pay raise		\$251		
2010 Pay raise		264		
Payment to the Working Capital Fund		12		
Full year cost in 2010 of positions financed part-year in 2009	2	50		
Civil Service Retirement System (CSRS)		(3)		
Federal Employees' Retirement System (FERS)		30		
Federal Insurance Contributions Act (FICA) - OASDI		(4)		
Thrift Savings Plan		1		
Employees' Compensation Fund		(53)		
Health insurance		16		
Travel:				
Per Diem		10		
Mileage		9		
Rent payments to GSA		40		
HCHB Steam		116		
HCHB Electricity		231		
Other services:				
Working Capital Fund		100		
Less payment to WCF for utilities		(328)		
General Pricing Level Adjustment				
Communications, utilities, and miscellaneous charges		1		
Other Services		15		
Supplies and materials		1		
Equipment		3		
Subtotal, other cost changes			2	762
TOTAL, ADJUSTMENTS TO BASE			24	(5,238)
2010 Base			176	26,562
Program Changes			5	438
2010 TOTAL			181	27,000
FTEs from Recovery Act Carryover			(36)	
2010 APPROPRIATION			145	27,000

Comparison by Activity

	2009 Currently Avail.		2010 Base		2010 Estimate		Increase / Decrease	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
DIRECT OBLIGATIONS								
Inspector General	152	\$31,702	176	\$31,562	181	\$32,000	5	\$438
TOTAL DIRECT OBLIGATIONS	152	31,702	176	31,562	181	32,000	5	438
REIMBURSABLE OBLIGATIONS								
	14	2,000	0	0	0	0	0	0
TOTAL OBLIGATIONS	166	33,702	176	31,562	181	32,000	5	438
FINANCING								
Unobligated balance, start of year		(2,902)		(13,000)		(13,000)	0	0
Unobligated balance, end of year		13,000	(36)	8,000	(36)	8,000	0	0
Subtotal, financing	0	10,098	(36)	(5,000)	(36)	(5,000)	0	0
TOTAL BUDGET AUTHORITY	166	43,800	140	26,562	145	27,000	5	438
Transfer from NTIA		(10,000)					0	0
Transfer from PTO (Reimbursable)	(14)	(2,000)					0	0
TOTAL APPROPRIATION	152	31,800	140	26,562	145	27,000	5	438

Highlights of Program Changes

<u>Office of the Inspector General</u>	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Combat illegal trade-restraining activities as they relate to Departmental programs	1	\$150	+5	+\$438

In FY 2010, the OIG will expand its cooperation with the Department of Justice in pursuing enforcement against restraint-of-trade and commerce activities that relate to Department of Commerce programs.

OIG Performance Measures

OIG performance measures and targets support the Department's strategic goal to "Achieve organizational and management excellence." As the Department works to accomplish its mission, OIG provides a unique, independent voice to the Secretary and other senior DOC managers, as well as to Congress, in keeping with its mandate to promote integrity, efficiency, and effectiveness, and to prevent and detect waste, fraud, and abuse in Department programs and operations. This work is primarily accomplished through audits, inspections, evaluations, and investigations and related activities. In FY 2010, OIG will continue its efforts to help the Department achieve organizational and management excellence by continuing to:

- Perform high quality and timely work;
- Concentrate efforts on the Department's most critical programs, operations, challenges, and vulnerabilities;
- Achieve results that allow government funds to be put to better use; and
- Address any criminal, civil, or other wrongdoing.

The following table shows the measures that OIG uses to gauge its performance. A more detailed description of these outcomes and measures is in the OIG section of the Department of Commerce budget.

Performance Outcome and Measures

(Dollars reflect obligations in Millions)

	2008 Actual	2009 Estimate / Target	2010 Estimate / Target
Outcome: Promote improvements to Department programs and operations by identifying and completing work that (1) promotes integrity, efficiency, and effectiveness, and (2) prevents and detects fraud, waste and abuse	\$22.1	\$33.7	\$32.0
% of OIG recommendations accepted by departmental and bureau management	100%	95%	95%
Dollar value of financial benefits identified by OIG	\$113.0	\$28.0	\$38.0
% of criminal and civil matters that are accepted for prosecution	73%	70%	75%