

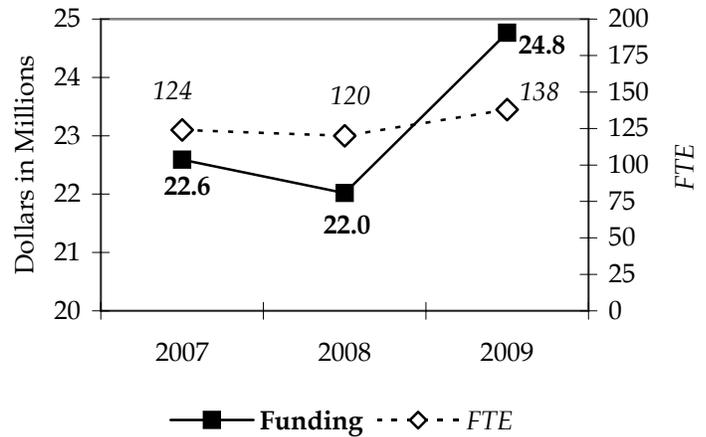
Office of the Inspector General

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 (DOC) 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 OMB, 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.

Appropriation and FTE



Summary of Appropriations

Funding Levels

	2007 <u>Actual</u>	2008 <u>Estimate</u>	2009 <u>Estimate</u>	Increase (Decrease)
Appropriation				
Inspector General	\$22,592	\$22,020	\$24,766	\$2,746

FTE

Inspector General	124	120	138	18
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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>
2008 Appropriation			120	\$22,020
Adjustments to Base				
Restoration of base reductions in prior years			18	1,438
<u>Other Changes</u>				
2008 Pay raise		\$145		
2009 Pay raise		302		
Payment to the Working Capital Fund		14		
Federal Insurance Contributions Act (FICA) - OASDI		2		
Health insurance		15		
Change in Compensable Days		(55)		
Employees' Compensation Fund		(61)		
Travel:				
Per Diem		7		
Mileage		3		
Postage		1		
Printing and reproduction		1		
Rent payments to GSA		40		
Other services:				
Working Capital Fund		60		
General Pricing Level Adjustments:				
Communications, utilities, and miscellaneous charges		2		
Other services		35		
Supplies and materials		1		
Equipment		1		
Subtotal, other cost changes			0	513
TOTAL, ADJUSTMENTS TO BASE			18	1,951
2009 Base			138	23,971
Program Changes			0	795
2009 APPROPRIATION			138	24,766

Comparison by Activity

	2008 Currently Avail.		2009 Base		2009 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	120	\$22,020	138	\$23,971	138	\$24,766	0	\$795
TOTAL DIRECT OBLIGATIONS	120	22,020	138	23,971	138	24,766	0	795
REIMBURSABLE OBLIGATIONS	0	0	0	0	0	0	0	0
TOTAL BUDGET AUTHORITY/ APPROPRIATION	120	22,020	138	23,971	138	24,766	0	795

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>
Reduce information security weaknesses throughout the Department	138	\$23,971	0	+\$795

OIG reviews of the Department's certification and accreditation packages, combined with OIG's own testing, continue to find inconsistent processes that frequently do not ensure that required security controls are in place and tested. The increase would fund contract services and two existing FTEs for the OIG's independent Federal Information Security Management Act (FISMA) evaluations.

This increase will allow OIG to obtain the skilled personnel and IT hardware and software needed to perform more extensive and in-depth hands-on testing of systems and networks which will allow OIG to place greater focus on protecting the Department's high-impact systems. Funding will also allow more interaction with the Department's operating units and line offices to provide feedback and advice essential to maintaining an effective IT security program.

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 2009, 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)

	2007 Actual	2008 Estimate / Target	2009 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	\$22.6	\$22.0	\$24.8
% of OIG recommendations accepted by departmental and bureau management	96%	95%	95%
Dollar value of financial benefits identified by OIG	\$51.7	\$28.0	\$30.0
% of criminal and civil matters that are accepted for prosecution	73%	70%	70%