



U.S. Department of Justice FY 2018 PERFORMANCE BUDGET

Office of the Inspector General Congressional Justification



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I. Overview

A. Introduction

In Fiscal Year (FY) 2018, the Office of the Inspector General (OIG) requests a total of \$95,328,000, 451 FTE, and 470 positions (of which 139 are Agents and 30 are Attorneys) to investigate allegations of fraud, waste, abuse, and misconduct by Department of Justice (Department) employees, contractors, and grantees and to promote economy and efficiency in Department operations. This request of \$1,797,000 which is 1.92% more than the FY 2017 Continuing Resolution (CR) level, and is solely for base adjustments. Electronic copies of the Department of Justice's Congressional Budget Justifications and Capital Asset Plan and Business Case exhibits can be viewed or downloaded from the Internet using the Internet address: <http://www.justice.gov/02organizations/bpp.htm>

The Department is faced with a myriad of challenges that the OIG's office will have to carefully review to ensure the Department is keeping its mission to enforce the law and defend the interest of the United States. In particular the federal prison crisis, cybersecurity threats, drug enforcement interdiction and building trust and improving police-community relationships will be important challenges the Department will have to focus their attention towards.

The OIG's mission is to detect and deter waste and misconduct in DOJ programs in relation to the Department's challenges, execute programs that improve public safety and assist victims of crime and audits of programs with significant financial exposure that may result in criminal activity including fraud or misuse of government funds and grants. Accordingly, the OIG will have to maintain vigorous review over such programs and be able to adequately assess and review each program with the best people, up-to-date technology, and resources that the OIG can utilize.

The OIG must be committed to staying abreast of today's technology and being innovative and forward thinking to prepare for tomorrow's world. The OIG has a tremendous responsibility in protecting federal fiscal policy for the American tax payer, and we will strive to protect the tax payers' funds but also enhance the integrity, efficiency, and effectiveness of the Department's programs through our independent, fair, and obligatory oversight.

The OIG's primary focus to prevent misuse, waste, fraud, and abuse of DOJ programs; to detect and deter misconduct in these programs and to continue to investigate workforce integrity issues such as whistleblower retaliation can only be accomplished with appropriate budgetary resources.

B. Background

The OIG was statutorily established in the Department on April 14, 1989. The OIG is an independent entity within the Department that reports to both the Attorney General and Congress on issues that affect the Department's personnel or operations.

The OIG has jurisdiction over all complaints of misconduct against Department of Justice employees, including the Federal Bureau of Investigation (FBI); Drug Enforcement Administration (DEA); Federal Bureau of Prisons (BOP); U.S. Marshals Service (USMS); Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF); United States Attorneys' Offices (USAO); Office of Justice Programs (OJP); and other Offices, Boards and Divisions. The one

exception is that allegations of misconduct by a Department attorney or law enforcement personnel that relate to the exercise of the Department attorneys' authority to investigate, litigate, or provide legal advice are the responsibility of the Department's Office of Professional Responsibility (OPR).

The OIG investigates alleged violations of criminal and civil law, regulations, and ethical standards arising from the conduct of Department employees in their numerous and diverse activities. The OIG also audits and inspects Department programs and assists management in promoting integrity, economy, efficiency, and efficacy. Appendix A contains a table that provides statistics on the most recent Semiannual Reporting period. These statistics highlight the OIG's ongoing efforts to conduct wide-ranging oversight of Department programs and operations.

C. OIG Organization

The OIG consists of the Immediate Office of the Inspector General and the following five divisions and one office:

- Audit Division is responsible for independent audits of Department programs, computer systems, and financial statements. The Audit Division has regional offices in Atlanta, Chicago, Denver, Philadelphia, San Francisco, and Washington, D.C. Its Financial Statement Audit Office and Computer Security and Information Technology Audit Office are located in Washington, D.C. Audit Headquarters consists of the immediate office of the Assistant Inspector General for Audit, Office of Operations, Office of Policy and Planning, and Advanced Audit Techniques.
- Investigations Division is responsible for investigating allegations of bribery, fraud, abuse, civil rights violations, and violations of other criminal laws and administrative procedures governing Department employees, contractors, and grantees. The Investigations Division has field offices in Chicago, Dallas, Denver, Los Angeles, Miami, New York, and Washington, D.C. The Fraud Detection Office and the Cyber Investigations Office are located in Washington, D.C. The Investigations Division has smaller area offices in Atlanta, Boston, Trenton, Detroit, El Paso, Houston, San Francisco, and Tucson. Investigations Headquarters in Washington, D.C., consists of the immediate office of the Assistant Inspector General for Investigations and the following branches: Operations, Operations II, Investigative Support, and Administrative Support.
- Evaluation and Inspections Division conducts program and management reviews that involve on-site inspection, statistical analysis, and other techniques to review Department programs and activities and makes recommendations for improvement.
- Oversight and Review Division blends the skills of attorneys, investigators, program analysts, and paralegals to review Department programs and investigate sensitive allegations involving Department employees and operations, and manage the whistleblower program.
- Management and Planning Division provides advice to OIG senior leadership on administrative and fiscal policy and assists OIG components in the areas of budget formulation and execution, security, personnel, training, travel, procurement, property management, information technology, computer network communications, telecommunications, records management, quality assurance, internal controls, and general support.

- Office of the General Counsel provides legal advice to OIG management and staff. It also drafts memoranda on issues of law; prepares administrative subpoenas; represents the OIG in personnel, contractual, ethics, and legal matters; and responds to *Freedom of Information Act* requests.

D. Notable Highlights, Reviews and Recent Accomplishments

1. Safeguarding National Security and Ensuring Privacy and Civil Liberties Protections

The Department's national security efforts continue to be a focus of the OIG's oversight work, which has consistently shown that the Department faces myriad challenges in its efforts to protect the nation from attack.

Patriot Act, Section 1001

Section 1001 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (Patriot Act) directs the OIG to receive and review complaints of civil rights and civil liberty violations by DOJ employees, to publicize how people can contact the OIG to file a complaint, and to send a semiannual report to Congress discussing the OIG's implementation of these responsibilities. In March 2017, the OIG issued its most recent report, which summarized the OIG's Section 1001 activities from July 1 through December 31, 2016. The report described the number of complaints the OIG received under this section, the status of investigations conducted by the OIG and DOJ components in response to those complaints, and an estimate of the OIG's expenses for conducting these activities. During this period, the 507 complaints were processed. Of the 507 complaints, 461 were not within OIG's jurisdiction or not warranting further review, 46 complaints were within the OIG's jurisdiction warranting review, 38 were management issues referred to DOJ components for handling, and 8 possible Section 1001 complaints warranted investigations by DOJ components. The OIG did not find any possible Section 1001 complaints warranted investigation. The report also described other OIG reviews that are related to potential civil rights and civil liberty issues but not required by Section 1001.

Handling of Known or Suspected Terrorists Admitted into the Federal Witness Security Program

The OIG is conducting a follow-up audit of the Department's handling of known or suspected terrorists admitted into the federal Witness Security Program (Program). The preliminary objectives are to review the Department's handling of known or suspected terrorists admitted to the Program, practices for watch listing and processing encounters with this group of Program participants, and procedures for mitigating risks to the public through restrictions placed on this high-risk group of Program participants.

Review of Gender Equity in the Department of Justice Law Enforcement Components

The OIG is currently conducting a review examining gender equity in the Department's law enforcement components, specifically ATF, DEA, FBI, and USMS. The review will include an assessment of component demographics, gender discrimination complaints, and the complaint process. The OIG will also assess staff perceptions related to gender equity and the reasons why staff have those perceptions.

2. Enhancing Cybersecurity in an Era of Increasing Threats

The Department will be challenged to sustain a focused, well-coordinated cybersecurity approach for the foreseeable future. Cybersecurity is a high risk area across the federal government and the Department must continue to emphasize protection of its own data and computer systems, while marshalling the necessary resources to combat cybercrime and effectively engaging the private sector.

Cyber Security Examination

The Investigations Division's Cyber Investigations Office (INV/Cyber) continues to conduct computer forensic examination and mobile device forensic examinations for over 200 pieces of digital evidence annually, which includes computers, hard drives, cell phones, and other electronic media. The INV/Cyber reviews numerous referrals from the Justice Security Operations Center (JSOC) regarding the leak or spillage of Personally Identifiable Information and other sensitive DOJ data and makes appropriate disposition in consultation with Investigations Division senior officials.

The INV/Cyber will continue to build its expertise in cyber security and work with the JSOC to identify potential intrusion cases deemed appropriate for investigation.

Insider Threat Prevention and Detection Program

The Insider Threat Prevention and Detection Program (ITPDP) is designed to deter, detect, and mitigate insider threats from DOJ employees and contractors who would use their authorized access to do harm to the security of the U.S., which can include damage through espionage, terrorism, unauthorized disclosure of information, or through the loss or degradation of departmental resources or capabilities. While the initial focus is DOJ classified information and networks, it has expanded to unclassified sensitive information.

There are two parts to OIG's role in the DOJ ITPDP. One is compliance with DOJ Order 0901 that requires OIG to work with the Department in its efforts to monitor user network activity relating to classified material and networks. The reporting, training, and coordination requirements in this first role will be implemented by Management & Planning Division's Office of Security Programs. The second part of the ITPDP involves the INV/Cyber. The OIG has representatives that act as law enforcement liaisons to the JSOC relating to Insider Threat referrals as well as other cyber matters such as unauthorized access, network intrusion, child exploitation, and other potential violations of 18 USC 1030.

Joint Review on Domestic Sharing of Counterterrorism Information

In response to a Congressional request, the Inspectors General of the Intelligence Community, DOJ, and Department of Homeland Security (DHS) initiated a coordinated, joint review focusing on domestic sharing of counterterrorism information. The objectives of this review were to: (1) identify and examine the federally supported field-based intelligence entities engaged in counterterrorism information-sharing to determine their overall missions, specific functions, capabilities, funding, and personnel and facility costs, (2) determine whether counterterrorism information is being adequately and appropriately shared with all participating agencies, and (3) identify any gaps and/or duplication of effort among the entities.

In March 2017, the OIGs found that federal, state, and local entities are committed to sharing counterterrorism information by undertaking programs and initiatives that have improved information sharing. However, several areas were identified in which improvements could

enhance the sharing of counterterrorism information: (1) Federal, state, and local entities actively involved in counterterrorism efforts must understand each other's roles, responsibilities, and contributions, especially when multiple agencies are involved in complex investigations; (2) the DHS Intelligence Enterprise--the integrated function of DHS intelligence components and programs--is not as effective and valuable to the IC as it could be; (3) DOJ can improve its counterterrorism information sharing efforts by implementing a consolidated internal DOJ strategy and evaluating the continued need and most effective utilization for the U.S. Attorneys' Offices' Anti-Terrorism Advisory Council meetings; (4) the ODNI's Domestic DNI Representative Program is hindered by large geographic regions, as well as the lack of a clear strategic vision and guidance; and (5) at the state and local level, fusion centers are focused on sustaining operations rather than enhancing capabilities due to unpredictable federal support.

The report makes 23 recommendations to the components of ODNI, DHS, and, DOJ to help improve the sharing of counterterrorism information and ultimately, enhance the government's ability to prevent terrorist attacks. The components agreed with all 23 recommendations.

3. Managing an Overcrowded Federal Prison System in an Era of Limited Budgets and Continuing Security Concerns

The Department continues to face challenges within the federal prison system. The Department projects that the costs of the federal prison system will continue to increase in the years ahead. Ultimately, this cost is consuming a large share of the Department's budget. Another challenge continues to be the significant overcrowding in the federal prisons, which potentially poses a number of important safety and security issues. The following are some examples of the OIG's oversight efforts in this critical challenge area.

Review of the Department's Implementation of the Principles regarding Prosecution and Sentencing Reform under the Smart on Crime Initiative

The OIG initiated a review of the Department's implementation of certain principles regarding prosecution and sentencing reform in the Smart on Crime initiative. The OIG will assess compliance with the Department policy on the development of prosecution priorities and the Department's revisions to its charging and sentencing policies, specifically related to charging drug quantities, implicating mandatory minimum sentences, and the application of recidivism enhancements in certain drug cases.

Review of the Department's Clemency Process

The OIG is assessing the Department's clemency process. Following the OIG's 2011 report on the Department's processing of clemency petitions, this review will focus on the period from fiscal year 2012 to 2016 and will assess the procedures utilized by the Department and the impact of the Department's new criteria for prioritizing commutation petitions.

4. Strengthening the Relationships between Law Enforcement and Local Communities through Partnership and Oversight

The Department must work through critical issues to determine how to best use its limited but substantial resources to help foster partnerships, support law enforcement efforts across the country, and ensure confidence in community-police relations. Effective policing at the state and local level contributes significantly to the success of law enforcement efforts at the federal level.

Former Police Officer Sentenced to 33 Months in Prison for Civil Rights Violations, Federal Program Theft

The OIG investigated a former Reynoldsburg Police Officer of Columbus, Ohio, who engaged in a systematic corruption in his roles as a police officer and as a supervisor. It was discovered that he conspired with another police officer (now deceased) as far back as 2006, lied to judges in search warrant affidavits in support of drug trafficking investigations, admitted to stealing cash totaling between \$150,000 and \$250,000 during and after police searches, and removed some of the stolen cash from a safe when he found out that he was being investigated.

On May 27, 2016, the court accepted the defendant's guilty pleas to one count of conspiracy to deprive persons of civil rights and one count of federal program theft. The defendant was sentenced in U.S. District Court to 33 months in prison for using his position as a police officer to deprive people of their civil rights by falsifying search warrant affidavits and unlawfully seizing money and property during drug trafficking investigations. He was fined \$40,000 and ordered to remain under court supervision for two years after the completion of his prison term. He is also required to perform four hours of community service per week while under court supervision.

Examination of DOJ Efforts to Address Police Misconduct and Provide Technical Assistance

The OIG is examining how (1) the Civil Rights Division identifies and selects potential patterns or practices of unlawful police conduct for investigation, (2) the Office of Community Oriented Policing Services and the Office of Justice Programs direct technical assistance for accountability reforms to police departments addressing concerns over alleged misconduct, and (3) these agencies coordinate their efforts and assess their results.

5. Ensuring Effective Management and Oversight of Law Enforcement Programs and Promoting Public Trust Ensuring Effective and Efficient Oversight of Law Enforcement Programs

The Department continues to be challenged in its oversight role of the vast variety of complex and evolving law enforcement issues. It is crucial that the Department ensures proper oversight of its programs while acting consistently with the protection of civil rights for American citizens. Charged with enforcing the nation's laws and defending its interests, the Department's senior officials and employees are expected to uphold the highest standards of integrity. Meeting this expectation is a key component in fulfilling the Department's crucial role in public service.

Audit of the Office on Violence against Women's Grant Awarded to Shelter from the Storm, Incorporated Island City, Oregon

In January 2017, the OIG audited the Office on Violence Against Women's (OVW) Grant Awarded to Shelter From the Storm, Incorporated (SFS), located in Island City, Oregon. The SFS was awarded \$747,262 to: (1) have designated personnel working to increase victim safety and hold abusers accountable for their crimes; (2) provide support to assist victims' healing and recovery following an incident of sexual assault, domestic violence, dating violence, and stalking; (3) enhance the ability of rural victims to access advocacy services and resources; and (4) allow victims to access professionals trained specifically in areas of sexual assault, domestic violence, dating violence, and stalking.

The objective of this audit was to determine whether costs claimed under the grant were allowable, supported, and in accordance with applicable laws, regulations, guidelines, and terms and conditions of the grant. The audit found that the SFS did not comply with essential award

requirements in four of the six areas tested and generally complied with requirements related to program performance and budget management. Weaknesses were found in the internal control environment, grant expenditures, contractor oversight, and reporting, including non-compliance with award requirements. The report questioned a total of \$351,986 and contained 11 recommendations to OVW. In response to draft audit report, OVW demonstrated proposed actions to address the recommendations, and as a result, the status of the audit report is resolved.

Findings Concerning the DEA's Use of a TSA Airport Security Screener as a Paid Confidential Source

The OIG initiated an investigation upon the receipt of information from the DEA that a Transportation Security Administration (TSA) airport Security Screener had been registered as a paid Confidential Source (CS) for the DEA. This investigation was initiated to determine whether it was appropriate for the DEA to register a TSA employee as a CS and pay the employee for providing information to the DEA that the employee obtained during the course of his official duties.

The OIG concluded that the DEA violated its policies by registering the TSA Security Screener as a CS, and by offering a reward for money seized based on information he provided, the OIG found that the TSA Security Screener did not provide DEA any actionable information while a CS, and was not paid any money by the DEA. The CS was deactivated for inability to provide any useful information. The OIG provided its report to the DEA for appropriate action.

Investigative Summary Findings of Misconduct by an FBI Senior Executive

The OIG initiated an investigation of a Federal Bureau of Investigation (FBI) senior executive based on information it received that, among other things, the executive had not properly recused herself from matters involving a contract company that employed her husband.

The OIG investigation found that the executive failed to disqualify herself from participating in matters involving the FBI contractor that employed her husband, and that she created the appearance of a conflict of interest by failing to obtain a waiver allowing such participation. The OIG also found that the executive directed subordinate employees to draft official records stating that she was recused from matters involving the contractor, when in fact she took no official action to do so, or to obtain the required waiver. Prosecution was declined.

In the course of its investigation, the OIG also found that the executive failed to report the source of her husband's earned income on annual federal ethics filings, as required by federal ethics regulations and FBI policy, over the period from 2010 through 2014. The OIG has completed its investigation and provided its report to the FBI for appropriate action.

Findings of Misconduct by an FBI Assistant Special Agent in Charge

The OIG initiated an investigation of a FBI Assistant Special Agent in Charge (ASAC) based on information it received from the FBI that the ASAC: submitted a fraudulent temporary quarters voucher for payments to which he was not entitled in connection with a transfer associated with his promotion to ASAC; attempted to defraud the FBI's relocation contractor by soliciting sham offers for the purchase of his home; and misused his official Government travel card to purchase tickets for personal air travel.

The OIG investigation found that the ASAC submitted two temporary quarters' vouchers knowing he was not entitled to the amounts requested, and that he lacked candor during meetings with his supervisors who questioned him about the claims. The OIG has completed its investigation and provided this report to the FBI and the Department of Justice, Justice

Management Division, for appropriate action, including seeking repayment of improper reimbursement for travel and temporary quarters.

Findings Concerning a Lack of Candor to the OIG by a BOP Warden

The OIG initiated an investigation based on information from an anonymous complaint alleging that the warden had engaged in misconduct. According to the complaint, BOP staff escorted several federal law enforcement agents around the electronic screening equipment at a Federal Correctional Institution in violation of BOP policy. This resulted in several of the federal agents entering the secure area of the prison with their service weapons and without the prior approval of the warden.

The OIG investigation determined that the warden was not candid or forthcoming in statements to the OIG regarding when the warden became aware of the incident. This lack of candor violated BOP policy, and potentially constituted false statements in violation of federal law. Prosecution of the warden was declined. The OIG has completed its investigation and provided its report to the BOP.

Findings of Misconduct by an FBI Unit Chief

The OIG initiated an investigation based on information from the FBI alleging that a current FBI Unit Chief engaged in misconduct by accepting from a vendor who had contracts with the FBI tickets to at least two sporting events. It was further alleged that the FBI Unit Chief, without appropriate justification, sponsored the vendor for a badge which gave the vendor unescorted access to the FBI J. Edgar Hoover (JEH) Building.

The OIG substantiated these allegations, concluding that the FBI Unit Chief attended at least two sporting events with a vendor without paying for the tickets, and that the FBI Unit Chief inappropriately sponsored a vendor for unescorted access to the FBI JEH building. The OIG discovered the following additional instances of misconduct: the FBI Unit Chief attended three vendor-sponsored presentations at sporting venues and stayed to watch the sporting events without paying for a ticket; he engaged in social activities such as golfing, going to a shooting range, and watching mixed martial arts fights with vendors; and he accepted free lunches from vendors.

The OIG investigation found that the FBI Unit Chief had no pre-existing personal association with these vendors and, therefore, his conduct violated applicable standards of ethical conduct prohibiting acceptance of gifts, giving preferential treatment, and misuse of position. The OIG further concluded that the FBI Unit Chief failed to disclose receipt of gifts on annual Confidential Financial Disclosure forms as required and lacked candor in response to OIG questioning. Prosecution was declined. The OIG provided a report of investigation to the FBI for appropriate action.

Findings of Misconduct by an Assistant U.S. Attorney

The OIG initiated an investigation upon receipt of information from the Executive Office for U.S. Attorneys (EOUSA) alleging that a supervisory Assistant United States Attorney (AUSA) obtained without authorization a disc holding thousands of personnel records of current and former USAO employees in violation of the Privacy Act and numerous DOJ policies. The AUSA was also alleged to have shared some content of the disc with another AUSA, lacked candor with her supervisor about how she obtained the disc, and copied the records from the disc after having been instructed by her supervisor to return the disc without copying it. The investigation also established that the AUSA created a table which included salary and bonus information, as well as performance and disciplinary information, of the USAO attorneys identified by their initials.

The OIG completed its investigation and has provided a report to EOUSA, and to the DOJ Office of Professional Responsibility for review and appropriate action.

6. Monitoring Department Contracts and Grants

The OIG's recent oversight work assists the Department in its efforts to ensure that taxpayer funds are protected from fraud, mismanagement, and misuse. It is essential that the Department continue to manage its resources wisely and maximize the effectiveness of its programs regardless of the Department's budget environment.

Three Plead Guilty in Multi-Million Federal Prison Sentencing Reduction Fraud Scheme

In March 2017, three defendants pled guilty in the Southern District of Florida in connection with their participation in a \$4.4 million dollar federal prison sentencing scheme. The fraudulent scheme targeted federal inmates and their families in Miami-Dade County and elsewhere by promising them assistance in obtaining a sentencing reduction in exchange for money.

According to court documents, from 2009 through September 7, 2016, the defendants and others held themselves out as owners and operators of Private Services, a company that reportedly worked with a network of informants and law enforcement personnel to identify and provide information and third party cooperation that could be credited to federal. Using aliases, the defendants targeted federal inmates and their families by promising that they could provide substantial assistance services, which would be used to help secure the early release of the inmates. In return, the defendants required relatives of the federal inmates to make periodic payments via cash, check, wire, and electronic fund transfer, in order for the third party cooperation process to supposedly be conducted.

As part of the scheme, two defendants also provided fake invoices and fraudulent documents allegedly showing agreements between various U.S. Attorney's Offices, including the Eastern District of New York and the Southern District of New York, and a company affiliated with Private Services. In fact, the agreements were fake, the prosecutors' signatures were forged, and no substantial assistance was provided on behalf of these inmates. The defendants received payments from relatives of federal inmates, and used the fraudulently obtained funds for their personal use and benefit, including the purchase of luxury automobiles, vacations, and gambling activities.

Each defendant pled guilty to a single count of conspiracy to commit mail fraud and wire fraud, in violation of Title 18, U.S.C. § 1349, in connection with their participation in the multi-year fraud scheme. In addition to the Southern District of Florida matter, two defendants also pled guilty to one count of conspiracy to commit wire fraud in a related case originally brought in the Eastern District of Texas, and subsequently transferred to Florida.

The defendants each face a statutory maximum penalty of 20 years in prison as to each count.

BOP Audit on Contract with Spectrum Services Group, Inc., for Dental Services at the Federal Correctional Complex, Victorville, California

On March 2017, the OIG issued a report on the Federal Bureau of Prisons' (BOP) contract with Spectrum Services Group, Inc. (SSGi) which provided four dental assistants at the Federal Correctional Complex in Victorville, California (FCC Victorville).

The audit found that one of the four Dental Assistant positions specified in the contract was vacant for 25 of the 46 months from August 2012 through May 2016, or about 54 percent of

the time. Despite these vacancies, contracting personnel consistently rated SSGi “Very Good” during its annual evaluation, and the evaluations included no mention of the vacancies. The audit found SSGi and the BOP attributed the Dental Assistant vacancies due to the stringent BOP vetting process, the remote location of FCC Victorville, and the fact that the position was located within a federal prison. Additionally, the report questioned whether BOP adequately assessed its Dental Officer and Dental Assistant needs at FCC Victorville prior to contract solicitation and award.

The audit concluded that these staffing shortages had measurable consequences at the institution, including one out of every four inmates (or nearly 1,000 inmates) being placed on a national wait list for routine dental care as of May 2016. Some inmates have been on this wait list since 2008. Other findings included (1) numerous discrepancies and inaccuracies between the sign-in log books for contractors and the Dental Assistants’ timesheets, (2) SSGi did not comply with provisions of the Service Contract Labor Standards, and (3) BOP’s non-compliance with Federal Acquisition Regulation (FAR), including of the FAR’s requirements for retaining information submitted by the contractor during the award process.

The report made nine recommendations to the BOP that address the deficiencies identified. The BOP agreed with all nine recommendations.

BOP Audit on Reimbursement Rates for Outside Medical Care Evaluation

On June 2016, the OIG issued an audit of BOP on how they rely on outside medical services to provide care for inmates that cannot be provided by institution staff. From fiscal year (FY) 2010 to FY 2014, BOP spending for outside medical services increased 24 percent, from \$263 million to \$327 million, while BOP’s overall budget increased at less than half that rate, 11 percent, from \$6.2 billion to \$6.9 billion.

The audit found BOP spent at least \$100 million more than the Medicare rate in FY 2014 on outside medical care and further found that these 69 BOP institutions spent approximately \$241 million for outside medical care in FY 2014, but that this figure would have dropped to \$143 million, a \$98 million dollar (41 percent) decrease, if the BOP had capped its medical fees at the Medicare rate. Given that this analysis necessarily excluded more than one-quarter of the BOP’s institutions, we concluded that it was likely the BOP as a whole spent at least \$100 million more for outside medical care than the applicable rates paid by Medicare in FY 2014. We made three recommendations to assist the BOP in exploring legislative and other options for providing medically necessary care while maintaining access to providers and better controlling medical costs. The BOP concurred with the recommendations and stated that it would improve the collection and analysis of utilization data for inmate medical care to better understand the services that inmates need and the impact it has on the BOP’s medical spending.

Audit of Contract Management Deficiencies Boys and Girls Clubs of America

The OIG issued a report in September, 2016 identifying significant contract management deficiencies in the Boys and Girls Clubs of America’s (BGCA) management of 45 contracts that it awarded to subcontractors and paid for using OJP grant funds. As a result, the OIG questioned \$2.9 million—93 percent— of the \$3.1 million expended through these 45 contracts from July 2008 through September 2013. The OIG noted that the BGCA: 1) awarded all 45 contracts on a “sole source” basis, which means that the BGCA entered the contracts without first conducting an open, free, and fair contract competition. For most of these contracts, the BGCA did not sufficiently establish the need to use sole source contracting; 2) did not comply with several requirements concerning lobbying activities; 3) did not enforce the employee code of conduct for one of the BGCA’s contractors, which received \$2.5 million in contracts during the audit period;

and 4) generally retained sufficient documentation of specific billings and payments, although the audit questioned about \$75,000 in contract expenditures as unsupported or, in one instance of double billing, as unallowable. These expenditures were also questioned based on the inadequate sole-source justifications described above. The OIG made 11 recommendations to OJP to improve oversight of grant-funded contracts awarded by the BGCA, and to address the \$2.9 million in questioned costs. OJP agreed with all of them. The BGCA explicitly agreed with two recommendations in whole or in part, and either disagreed or did not explicitly agree with the remaining recommendations.

Examination of the U.S. Department of Justice's FY 2015 compliance under the Improper Payments Elimination and Recovery Act of 2010

In May 2016, the OIG examined the Department to determine compliance with the requirements, as set forth in OMB Circular A-123, Appendix C; and OMB Circular A-136. The examination was comprised of the OIG gaining an understanding of the Department and component-level controls through inquiry procedures, a review of documentation supporting the information published in the Department's Agency Financial Report, as well as re-performance of calculations computed by the Department. We found that the Department complied, in all material respects, with requirements for the fiscal year ended September 30, 2015.

Administration of the September 11th Victim Compensation Fund

The OIG is conducting an audit with the preliminary objective of reviewing DOJ's administration of the September 11th Victim Compensation Fund, which was re-authorized by the James Zadroga 9/11 Health and Compensation Act of 2010. Title II of the Act reactivated the 9/11 Victim Compensation Fund of 2001, provided an additional \$2.8 billion to compensate claimants, and added new categories of beneficiaries for the fund, including individuals with health conditions that took a long period to develop. As part of this audit, the OIG is reviewing how the Civil Division and the Special Master manage the fund, as well as how JMD supports the Victim Compensation Fund operations through legal and administrative contracts.

7. Using Performance-Based Management to Improve DOJ Programs

Performance-based management has been a long-standing challenge not only for the Department but across the entire federal government. Office of Management and Budget (OMB) Circular No. A-11 and the Government Performance and Results Modernization Act (GPRM Modernization Act) place a heightened emphasis on priority-setting, cross-organizational collaboration to achieve shared goals, and the use and analysis of goals and measurements to improve outcomes. A significant management challenge for the Department is ensuring, through performance-based management, that its programs are achieving their intended purposes. The OIG will ensure that the Department is effectively implementing performance-based management and taking actions to meet the requirements of the GPRM Modernization Act.

Federal Bureau of Prisons Release Preparation Program

The OIG issued a report in August 2016 on the BOP's Release Preparation Program (RPP), which, among other objectives, seeks to reduce recidivism. When former inmates recidivate and must be re-arrested, it strains DOJ resources and adds to the social costs in communities into which the inmates were released. The OIG identified weaknesses in the RPP's implementation that can hinder inmates' successful re-transition into society. BOP policy does not provide a nationwide RPP curriculum, which led to widely inconsistent curricula, content, and quality among RPP courses. The BOP does not systematically identify specific inmate needs, which is left to institutions' discretion. The OIG also determined that, given few incentives, less than a third of inmates required to participate in the RPP actually complete it. The BOP also does not

fully leverage its relationships with other federal agencies and BOP institutions must contact local offices to advocate for services for inmates. In the OIG's judgment, the BOP could take advantage of its memberships in national reentry forums to develop national agreements and facilitate consistent access to information and services for inmates. Additionally, the OIG found that the BOP does not collect comprehensive re-arrest data on former inmates, has no performance metrics to gauge the RPP's effectiveness, and does not attempt to link the RPP to recidivism. The report made seven recommendations to improve the RPP's effectiveness, and the BOP agreed with all of them.

8. Whistleblower Ombudsperson

The OIG's Whistleblower program continues to be an important source of information regarding waste, fraud, and abuse within the Department, and to perform an important service by allowing Department employees to come forward with such information. As publicity about retaliation against whistleblowers from across the federal government continues to receive widespread attention, it is particularly important that the Department act affirmatively to ensure that whistleblowers feel protected and, indeed, encouraged to come forward.

The OIG plays a pivotal and particularly labor-intensive role in fielding and investigating, under the FBI Whistleblower Statute (5 U.S. C § 2303) and the FBI Whistleblower Regulations (28 C.F.R. Part 27), allegations of whistleblower retaliation against FBI employees. If a retaliation complaint states a cognizable claim, the OIG investigates the allegations "to the extent necessary to determine whether there are reasonable grounds to believe that a reprisal has been or will be taken" for a protected disclosure. 28 C.F.R. § 27.3(d). The OIG has 240 days to make this determination unless granted an extension by the complainant. *Id.* § 27.3(f).

The OIG is partnering with the FBI in the development of specialized training that will highlight the particular requirements applicable to FBI employees. Aggressive OIG efforts to enhance FBI employees' awareness of their rights will likely increase the number of whistleblower retaliation complaints this office receives each year. Protecting whistleblower rights has been one of the Inspector General's highest priorities since he took office. Unfortunately, with limited resources and staffing we have had to go beyond deadlines and obtain extensions from whistleblowers, further delaying the investigation and ultimate resolution of these cases.

From April 1, 2016, through March 31, 2017, the OIG received 39 new FBI whistleblower retaliation complaints, and opened investigations on nine of them. We believe that the numbers will only continue to increase as there is increased focus on whistleblowers in general.

The OIG also continues to utilize the tracking system developed through the OIG Ombudsperson Program to ensure that it is handling these important matters in a timely manner. The OIG continuously enhances the content on its public website, oig.justice.gov. The table below, pulled from our *Semiannual Report to Congress, April 1, 2016 – September 30, 2016*, presents important information.

Whistleblower Program
April 1, 2016 – September 30, 2016

Employee complaints received ¹	262
Complainants asserting to be whistleblowers ²	17
Employee complaints opened for investigation by the OIG	81
Employee complaints that were referred by the OIG to the components for investigation	122
Employee complaint cases closed by the OIG ³	98

The OIG continues to refine its internal mechanisms to ensure that the OIG is promptly reviewing whistleblower submissions and communicating with those who come forward with information in a timely fashion.

9. Congressional Testimony

Since February 2016, the Inspector General and Deputy Inspector General testified before Congress on the following occasions:



- “Examining Systemic Management and Fiscal Challenges within the Department of Justice” before the U.S. House of Representatives Committee on the Judiciary on March 21, 2017
- “A Review of Investigations of the Osorio and Barba Firearms Trafficking Rings” before the U.S. House of Representatives Committee on Oversight and Government Reform on March 9, 2017
- “Five Years Later: A Review of the Whistleblower Protection Enhancement Act” before the U.S. House of Representatives Committee on Oversight and Government Reform, Subcommittee on Government Operations on February 1, 2017

¹ Employee complaint is defined as an allegation received from whistleblowers, defined broadly as complaints received from employees and applicants with DOJ, or its contractors, subcontractors, or grantees, either received directly from the complainant by the OIG Hotline, the field offices, or others in the OIG, or from a DOJ component if the complaint otherwise qualifies and is opened as an investigation.

² These complainants may or may not qualify as whistleblowers under relevant laws.

³ This number reflects cases closed during the reporting period regardless of when they were opened.

- “Empowering the Inspectors General” Oversight and Government Reform on February 1, 2017
- “Oversight of DEA's Confidential Source Program” before the U.S. House of Representatives Committee on Oversight and Government Reform on November 30, 2016
- “New Orleans: How the Crescent City Became a Sanctuary City” before the U.S. House of Representatives Committee on the Judiciary, Subcommittee on Immigration and Border Security on September 27, 2016
- “The Department of Justice Office of Justice Programs' Grant Management” before the U.S. House of Representatives Committee on Oversight and Government Reform, Subcommittee on Government Operations on July 14, 2016
- “Firearms and Munitions at Risk: Examining Inadequate Safeguards” before the U.S. House of Representatives Committee on Oversight and Government Reform concerning on July 6, 2016
- “Oversight of the Drug Enforcement Administration” before the U.S. Senate Committee on the Judiciary on June 22, 2016
- “The Need for More Timeliness and Transparency: Oversight of the Public Safety Officers’ Benefits (PSOB) Program” before the U.S. Senate Committee on the Judiciary on April 26, 2016
- “Compassionate Release and the Conditions of Supervision” before the U.S. Sentencing Commission on February 17, 2016

10. Support for the Department’s Savings and Efficiencies Initiatives

In support of the DOJ’s SAVE initiatives, the OIG contributed to the Department’s cost-saving efforts in FY 2017, including:

- *Increasing the use of self-service online booking for official travel.* The OIG’s online booking rate at the end of the second quarter of FY 2017 official travel was 91%, for estimated savings of \$13 thousand over agent-assisted ticketing costs.
- *Using non-refundable airfares rather than contract airfares or non-contract refundable fares (under appropriate circumstances).* Through March 2017, the OIG realized cost savings of more than \$5 thousand by using non-refundable tickets.
- *Increased use of video conferencing.* The OIG saved training and travel dollars, as well as productive staff time while in travel status, by utilizing increased video teleconferencing for all applicable OIG-wide training.

Getting the most from taxpayer dollars requires ongoing attention and effort. The OIG continues to look for ways to use its precious resources wisely and to examine how it does business to further improve efficiencies and reduce costs.

E. Challenges

Like other organizations, the OIG must confront a variety of internal and external challenges that affect its work and impede progress towards achievement of its goals. These include the decisions Department employees make while carrying out their numerous and diverse duties, which affects the number of allegations the OIG receives; Department support for the OIG's mission; and financial support from the OMB and Congress.

The limitation on the OIG's jurisdiction has also been an ongoing impediment to strong and effective independent oversight over agency operations. While the OIG has jurisdiction to review alleged misconduct by non-lawyers in the Department, it does not have jurisdiction over alleged misconduct committed by Department attorneys when they act in their capacity as lawyers—namely, when they are litigating, investigating, or providing legal advice. In those instances, the *Inspector General Act* grants exclusive investigative authority to the Department's OPR office. As a result, these types of misconduct allegations against Department lawyers, including any that may be made against the most senior Department lawyers (including those in Departmental leadership positions), are handled differently than those made against agents or other Department employees. The OIG has long questioned this distinction between the treatment of misconduct by attorneys acting in their legal capacity and misconduct by others. This disciplinary system cannot help but have a detrimental effect on the public's confidence in the Department's ability to review misconduct by its own attorneys.

The OIG's greatest asset is its highly dedicated personnel, so strategic management of human capital is paramount to achieving organizational performance goals. In the prior fiscal years, the OIG was very successful in recruiting and hiring high quality talent to fulfill its staffing complement. In this competitive job market, the OIG must make every effort to maintain and retain its talented workforce. The OIG's focus on ensuring that its employees have the appropriate training and analytical and technological skills for the OIG's mission will continue to bolster its reputation as a premier federal workplace, and improve retention and results. The length of time it takes to conduct more complex audits, investigations, and reviews is directly impacted by the number of experienced personnel the OIG can devote to these critical oversight activities.

II. Summary of Program Changes

The Office of the Inspector General has no program changes to submit in the FY 2018 Congressional Justification.

III. Appropriations Language and Analysis of Appropriations Language

The appropriation language states the following for the Office of the Inspector General:

For necessary expenses of the Office of Inspector General, [\$93,531,000] \$95,328,000, including not to exceed \$10,000 to meet unforeseen emergencies of a confidential character.

A. Analysis of Appropriations Language

No substantive changes

IV. Program Activity Justification

A. Audits, Inspections, Investigations and Reviews

OIG	Direct Pos.	Direct FTE	Amount
2016 Enacted	474	455	\$93,709,000
2017 Continuing Resolution	474	455	\$93,531,000
Adjustment to base and Technical Adjustments	0	0	\$1,797,000
2018 Current Services	470	451	\$95,328,000
2018 Request	470	451	\$95,328,000
Total Change 2017-2018	-4	-4	\$1,797,000

<i>OIG Information Technology Breakout</i>	Direct Pos.	Direct FTE	Amount
2016 Enacted	12	12	\$6,597,000
2017 Continuing Resolution	18	18	\$8,519,000
Adjustments to Base and Technical Adjustments	0	0	\$758,000
2018 Current Services	18	18	\$9,277,000
2018 Request	18	18	\$9,277,000
Total Change 2017-2018	0	0	\$758,000

B. Program Description

The OIG operates as a single decision unit encompassing audits, inspections, investigations, and reviews.

C. Performance and Resource Tables

PERFORMANCE AND RESOURCES TABLE (Goal 1)										
Decision Unit: OIG/Audits, Inspections, Investigations, and Reviews										
DOJ Strategic Plan: Strategic Objective 2.6: Protect the federal fisc and defend the interests of the United States.										
OIG General Goal #1: Detect and deter misconduct in programs and operations within or financed by the Department.										
WORKLOAD/RESOURCES	Target		Actual		Projected		Changes		Requested (Total)	
	FY 2016		FY 2016		FY 2017		Current Services Adjustment and FY 2017 Program Changes		FY 2018 Request	
Total Costs and FTE	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
(reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)	455	\$93,709			455	\$93,531	(4)	\$1,797	451	\$95,328
		[\$11,484]				[\$12,150]		\$550		[\$12,700]
Performance Measure										
Number of Cases Opened per 1,000 DOJ employees:										
Fraud*		*		0.42		*				*
Bribery*		*		0.15		*				*
Rights Violations*		*		0.14		*				*
Sexual Crimes*		*		0.21		*				*
Official Misconduct*		*		1.17		*				*
Theft*		*		0.11		*				*
Workload										
Investigations closed		310		312		310		0		310
Integrity Briefings/Presentations to DOJ employees and other stakeholders		80		83		80		0		80
DOJ employees and stakeholders at Integrity Briefings		3,500		3,799		3,500		0		3,500
* Indicators for which the OIG only reports actuals.										

PERFORMANCE AND RESOURCES TABLE (Goal 1) (continued)											
Decision Unit:		OIG/Audits, Inspections, Investigations, and Reviews									
DOJ Strategic Plan: Strategic Objective 2.6: Protect the federal fisc and defend the interests of the United States.											
OIG General Goal #1: Detect and deter misconduct in programs and operations within or financed by the Department.											
WORKLOAD/RESOURCES		Target		Actual		Projected		Changes		Requested (Total)	
		FY 2016		FY 2016		FY 2017		Current Services Adjustment and FY 2017 Program Changes		FY 2018 Request	
Total Costs and FTE		FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
(reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)		455	\$93,709			455	\$93,531	(4)	\$1,797	451	\$95,328
			[\$11,484]				[\$12,150]		\$550		[\$12,700]
Performance Measure											
Intermediate Outcome											
Percentage of BOP Investigations closed or referred for prosecution within 6 months of being opened [Refined Measure]**			75%		83%		75%				75%
Number of closed Investigations substantiated*			*		196		*				*
Arrests *			*		91		*				*
End Outcome											
Convictions *			*		88		*				*
Administrative Actions *			*		251						
Response to Customer Surveys:											
Report completed in a timely manner (%)			90%		98%		90%				90%
Issues were sufficiently addressed (%)			90%		98%		90%				90%
* Indicators for which the OIG only reports actuals.											

PERFORMANCE AND RESOURCES TABLE (Goal 1)

DOJ Strategic Plan: Strategic Objective 2.6: Protect the federal fisc and defend the interests of the United States.

OIG General Goal #1: Detect and deter misconduct in programs and operations within or financed by the Department.

Data Definition, Validation, Verification, and Limitations

A. Data Definition:

The OIG does not project targets and only reports actuals for workload measures, the number of closed investigations substantiated, arrests, convictions, and administrative actions. The number of convictions and administrative actions are not subsets of the number of closed investigations substantiated.

B. Data Sources, Validation, Verification, and Limitations:

Investigations Data Management System (IDMS) – consists of a web-based relational database system. It's a case management system.

The database administrator runs routine maintenance programs against the database. Database maintenance plans are in place to examine the internal physical structure of the database, backup the database and transaction logs, handle index tuning, manage database alerts, and repair the database if necessary. Currently, the general database backup is scheduled nightly and the transaction log is backed up in 3 hour intervals. We have upgraded to a web based technology.

Investigations Division Report of Investigation (ROI) Tracking System - a web-based SQL-Server application that tracks all aspects of the ROI lifecycle. The ROI and Abbreviated Report of Investigation (AROI) are the culmination of OIG investigations and are submitted to DOJ components. These reports are typically drafted by an agent and go through reviews at the Field Office and at Headquarters levels before final approval by Headquarters. The ROI Tracking System reads data from IDMS. By providing up-to-the-minute ROI status information, the Tracking System is a key tool in improving the timeliness of the Division's reports. The ROI Tracking System also documents the administration of customer satisfaction questionnaires sent with each completed investigative report to components and includes all historical data. The system captures descriptive information as well as questionnaire responses. Descriptive information includes the questionnaire form administered, distribution and receipt dates, and component and responding official. The database records responses to several open-ended questions seeking more information on deficiencies noted by respondents and whether a case was referred for administrative action and its outcome. Questionnaire responses are returned to Investigations Headquarters and are manually entered into the Tracking System by Headquarters personnel. No data validation tools, such as double key entry, are used though responses are entered through a custom form in an effort to ease input and reduce errors.

Investigations Division Investigative Activity Report – Most of the data for this report is collected in IDMS. The use of certain investigative techniques and integrity briefing activities are also tracked externally by appropriate Headquarters staff.

C. FY 2016 Performance Report:

For the workload measure "Investigations Closed," the OIG has plans to focus on more complex and document-intensive cases (e.g., grant and contract fraud) that require more in-depth financial and forensic analysis. The OIG is also diversifying its caseload to extend more investigative coverage to other Department components.

PERFORMANCE MEASURE TABLE (Goal 1)								
Decision Unit/Program: OIG/Audits, Inspections, Investigations, and Reviews								
DOJ Strategic Plan: Strategic Objective 2.6: Protect the federal fisc and defend the interests of the United States.								
OIG General Goal #1: Detect and deter misconduct in programs and operations within or financed by the Department.								
Performance Measure Report	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016		FY 2017	FY 2018
Workload	Actuals	Actuals	Actuals	Actuals	Target	Actuals	Target	Target
Number of Cases Opened per 1,000 DOJ employees:								
Fraud*	0.51	0.63	0.67	0.47	*	0.42	*	*
Bribery*	0.20	0.16	0.15	0.10	*	0.15	*	*
Rights Violations*	0.13	0.17	0.19	0.12	*	0.14	*	*
Sexual Crimes*	0.37	0.35	0.43	0.39	*	0.21	*	*
Official Misconduct*	1.28	1.48	1.34	1.19	*	1.17	*	*
Theft*	0.22	0.22	0.10	0.17	*	0.11	*	*
Investigations closed	361	366	402	357	310	312	310	310
Integrity Briefings and Presentations to DOJ employees and other stakeholders	134	85	91	82	80	83	80	80
DOJ employees and stakeholders attending Integrity Briefings	7,200	3,710	4,732	3,975	3,500	3,799	3,500	3,500
Intermediate Outcome								
Percentage of Investigations closed or referred for prosecution within 6 months**	71%	72%	71%	76%	75%	83%	N/A	N/A
Number of closed Investigations substantiated (QSR Measure)*	215	222	243	226	*	196	*	*
Arrests*	90	86	84	96		91	*	*
End Outcome								
Convictions*	94	63	88	73	*	88	*	*
Administrative Actions	192	266	219	225	*	251	*	*
Response to Customer Surveys:								
Report completed in a timely manner (%)	100%	100%	95%	90%	90%	98%	90%	90%
Issues were sufficiently addressed (%)	100%	99%	99%	90%	90%	98%	90%	90%
* Indicators for which the OIG only reports actuals.								

PERFORMANCE AND RESOURCES TABLE (Goal 2)										
Decision Unit: OIG/Audits, Inspections, Investigations, and Reviews										
DOJ Strategic Plan: Strategic Objective 2.6: Protect the federal fisc and defend the interests of the United States.										
OIG General Goal #2: Promote the efficiency and effectiveness of Department programs and operations.										
WORKLOAD/RESOURCES	Target		Actual		Projected		Changes		Requested (Total)	
	FY 2016		FY 2016		FY 2017		Current Services Adjustment and FY 2018 Program Changes		FY 2018 Request	
Total Costs and FTE	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
(Reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total.)	455	\$93,709			455	\$93,531	(4)	\$1,797	451	\$95,328
		[\$11,484]				[\$12,150]		\$550		[\$12,700]
Performance Measure										
Workload										
Audit and E&I assignments initiated	92		109		92					92
Percent of Audit CSITAO* resources devoted to security reviews of major Dept. information systems	80%		97%		80%					80%
Percent of internal DOJ audit assignments that assess component performance measures	18%		67%		18%					18%
Percentage of E&I assignments opened and initiated during the fiscal year devoted to Top Management Challenges	70%		86%		70%					70%
Percent of direct resources devoted to audit products related to Top Management Challenges, and GAO and JMD-identified High-Risk Areas	80%		95%		85%					85%
Intermediate Outcome										
Audit and E&I assignments completed	87		98		87					87

*Computer Security & Information Technology Audit Office

PERFORMANCE AND RESOURCES TABLE (Goal 2)
(continued)

Decision Unit: OIG/Audits, Inspections, Investigations, and Reviews

DOJ Strategic Plan: Strategic Objective 2.6: Protect the federal fisc and defend the interests of the United States.

OIG General Goal #2: Promote the efficiency and effectiveness of Department programs and operations.

WORKLOAD/RESOURCES	Target		Actual		Projected		Changes		Requested (Total)	
	FY 2016		FY 2016		FY 2017		Current Services Adjustment and FY 2018 Program Changes		FY 2018 Request	
Total Costs and FTE	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000	FTE	\$000
(reimbursable FTE are included, but reimbursable costs are bracketed and not included in the total)	455	\$93,709			455	\$93,531	(4)	\$1,797	451	\$95,328
		[\$11,484]				[\$12,150]		\$550		[\$12,700]
Performance Measure										
Intermediate Outcome										
Percent of Audit resources devoted to reviews of grants and grant management *		35%		40%		35%				NA
Percent of Audit resources devoted to reviews of contracts and contract management		10%		14%		10%				10%
Components receiving information system audits		5		9		6				6
Percentage of products issued to the Dept. containing significant findings or information for management decision-making by Audit and E&I		92%		100%		92%				92%
Percent of less complex internal DOJ reviews to be provided to the IG as a working draft within an average of 8 months* *		35%		0%		35%				35%
Percent of more complex internal DOJ reviews to be provided to the IG as a working draft within an average of 11 months***		35%		71%		106%				106%
Percent of grant, CODIS, equitable sharing, Intra Government Agreements, and other external audits to be completed in draft within 8 months		50%		50%		50%				50%
Percent of less complex internal DOJ audits to be provided to the IG as a working draft within 8 months		40%		100%		40%				40%
Percent of more complex internal DOJ audits to be provided to the IG as a working draft within 13 months		45%		73%		45%				45%
* Beginning in FY 2018 this measure will no longer be used										
**This measure will no longer be used. We will refine our measure beginning in FY 2019 on "more complex" reviews to reflect all review reports with a deadline of 12 months.										
***This measure will be refined in FY 2019 to reflect all reviews with a deadline of 12 months.										

**PERFORMANCE AND RESOURCES TABLE (Goal 2)
(continued)**

Decision Unit: OIG/Audits, Inspections, Investigations, and Reviews										
DOJ Strategic Plan: Strategic Objective 2.6: Protect the federal fisc and defend the interests of the United States.										
OIG General Goal #2: Promote the efficiency and effectiveness of Department programs and operations.										
Data Definition, Validation, Verification, and Limitations										
A. Data Definition:										
"Assignment" covers all audits (including internals, CFO Act, and externals, but not Single Audits), evaluations, and inspections. "Assignments" may also include activities that do not result in a report or product (e.g., a memorandum to file rather than a report); or reviews initiated and then cancelled.										
B. Data Sources, Validation, Verification, and Limitations:										
Project Resolution and Tracking (PRT) system- PRT was implemented on April 18, 2011; this OIG system was designed to track audits, evaluations, and reviews from initiation to completion, including the status of recommendations. The system provides senior management with the data to respond to information requests and track and report on current status of work activities.										
C. FY 2016 Performance Report: N/A										

PERFORMANCE MEASURE TABLE (Goal 2)								
Decision Unit/Program: OIG/Audits, Inspections, Investigations, and Reviews								
DOJ Strategic Plan: Strategic Objective 2.6: Protect the federal fisc and defend the interests of the United States.								
OIG General Goal #2: Promote the efficiency and effectiveness of Department programs and operations.								
Performance Measure Report <u>Workload</u>	FY 2012 Actuals	FY 2013 Actuals	FY 2014 Actuals	FY 2015 Actuals	FY 2016 Target	FY 2016 Actuals	FY 2017 Target	FY 2018 Target
Audit and E&I assignments initiated	116	103	94	106	92	109	92	92
Percent of Audit CSITAO resources devoted to security reviews of major Dept. information systems	97%	75%	98%	88%	80%	97%	80%	80%
Percent of internal DOJ audit assignments that assess component performance measures	42%	40%	47%	42%	18%	67%	18%	25%
Percentage of E&I assignments opened and initiated during the fiscal year devoted to Top Management Challenges.	NA	NA	89%	80%	70%	86%	70%	70%
Percent of direct resources devoted to audit products related to Top Management Challenges, and GAO and JMD-identified High-Risk Areas	93%	96%	96%	96%	80%	95%	85%	85%
<u>Intermediate Outcome</u>								
Audit and E&I Assignments completed	109	117	104	109	87	98	87	87
Percent of Audit resources devoted to reviews of grants and grant management*	42%	40%	54%	43%	35%	40%	35%	35%
Percent of Audit resources devoted to reviews of contracts and contract management	NA	NA	NA	13%	10%	14%	10%	10%
Components receiving information system audits	11	6	9	8	5	9	6	6
Percentage of products issued to the Dept. containing significant findings or information for management decision-making by Audit and E&I	NA	NA	NA	100%	92%	100%	92%	92%
Percent of less complex internal DOJ reviews to be provided to the IG as a working draft within an average of 8 months**	NA	NA	100%	100%	35%	0%	35%	35%
Percent of more complex internal DOJ reviews to be provided to the IG as a working draft within an average of 11 months ***	NA	NA	NA	71%	35%	71%	35%	35%
Percent of grant, CODIS, equitable sharing, Intra Government Agreements, and other external audits to be completed in draft within 8 months	NA	NA	NA	58%	50%	50%	50%	50%
Percent of less complex internal DOJ audits to be provided to the IG as a working draft within 8 months	NA	NA	NA	40%	40%	100%	40%	40%
Percent of more complex internal DOJ audits to be provided to the IG as a working draft within 13 months	NA	NA	NA	83%	45%	73%	45%	45%
* Beginning in FY 2018 this measure will no longer be used.								
**This measure will no longer be used. We will refine our measure beginning in FY 2019 on "more complex" reviews to reflect all review reports with a deadline of 12 months.								
***This measure will be refined in FY 2019 to reflect all reviews with a deadline of 12 months.								

D. Performance, Resources, and Strategies

1. Performance Plan and Report for Outcomes

As illustrated in the preceding Performance and Resources Tables, the OIG helps the Department achieve its strategic goals and promotes efficiency, integrity, economy, and effectiveness through conduct of its audits, inspections, investigations, and reviews. For the Department's programs and activities to be effective, Department personnel, contractors, and grantees must conduct themselves in accordance with the highest standards of integrity, accountability, and efficiency. The OIG investigates alleged violations of criminal and civil laws, regulations, and ethical standards arising from the conduct of the Department's employees in their numerous and diverse activities.

The OIG continues to review its performance measures and targets, especially in light of the changing nature of the cases it investigates and the Department programs it audits and reviews. Today's work is much more complex and expansive than it was only a few years ago. The number of documents to be reviewed, the number of people to interview, the amount of data to examine, and the analytical work involved in many OIG products are significantly greater than in prior years. The OIG ensures sufficient time and resources are devoted to produce high-quality, well-respected work.

2. Strategies to Accomplish Outcomes

The OIG will devote all resources necessary to investigate allegations of bribery, fraud, abuse, civil rights violations, and violations of other laws and procedures that govern Department employees, contractors, and grantees, and will develop cases for criminal prosecution and civil and administrative action. The OIG will continue to use its audit, inspection, evaluation, and attorney resources to review Department programs or activities identified as high-priority areas in the Department's Strategic Plan, and focus its resources to review the Department's Top Management and Performance Challenges.

V. Program Increases by Item

The Office of the Inspector General has no program increases to submit in the FY 2018 Congressional Justification.

VI. Program Offsets by Item

The Office of the Inspector General has no program offsets to submit in the FY 2018 Congressional Justification

VII. APPENDIX

Statistical Highlights

April 1, 2016 – September 30, 2016

The following table summarizes Office of the Inspector General (OIG) activities discussed in our most recent *Semiannual Report to Congress*. As these statistics and the following highlights illustrate, the OIG continues to conduct wide-ranging oversight of Department of Justice (Department) programs and operations.

April 1, 2016 – September 30, 2016	
Allegations Received by the Investigations Division ¹	5,975
Investigations Opened	153
Investigations Closed	172
Arrests	44
Indictments/Information	36
Convictions/Pleas	45
Administrative Actions	146
Monetary Recoveries ²	\$921,608.49
Audit Reports Issued	30
Questioned Costs	\$5,379,976
Funds for Better Use	\$1,326,705
Recommendations for Management Improvements	170
Single Audit Act Reports Issued	38
Questioned Costs	\$560,230
Recommendations for Management Improvements	68
Other Audit Division Reports Issued	2