



United States Department of Agriculture  
Office of Inspector General



# **HIGHLIGHTS OF OFFICE OF INSPECTOR GENERAL (OIG) PLANS FOR FY 2016**

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## **GOAL 1: Strengthen the Department of Agriculture's (USDA) ability to implement and improve safety and security measures to protect the public health, as well as agricultural and Departmental resources.**

- Conduct audits to ensure that USDA food safety and inspection programs effectively meet program objectives.
- Evaluate the adequacy and security of information technology (IT) systems and applications.
- Investigate threats involving the safety of meat, poultry, and egg products to protect consumers from food tampering and tainted food.
- Investigate alleged assaults and related crimes against USDA officials and employees relating to the performance of their official duties.

## **GOAL 2: Reduce program vulnerabilities and strengthen program integrity in the delivery of program assistance.**

- Conduct audits of nutrition, farm, and rural community programs to determine if benefits are effectively dispersed to eligible participants.
- Review USDA's mandated reports for reducing improper payments.
- Monitor and investigate allegations of criminal activity pertaining to USDA programs, including nutrition assistance and farm programs.

## **GOAL 3: Provide USDA with oversight to help it achieve its results-oriented performance.**

- Perform mandated fiscal year (FY) 2015-2016 financial statement audits of five USDA agencies and the Department as a whole.
- Evaluate the adequacy of Departmental and agency controls for a wide range of programs and activities such as trade initiatives, conservation planning and stewardship, processing civil rights complaints, and contractor performance.
- Investigate allegations of criminal activity or misconduct by USDA employees.

## **GOAL 4: Maintain a highly qualified and diverse workforce by providing the tools and training necessary to continuously enhance OIG's ability to fulfill its mission.**

- Improve internal and external response times to IT security incidents.
- Deliver quality OIG internal training courses.
- Analyze OIG's performance against goals set in the annual plan.
- Track OIG management, legal, and quality assurance offices' performance against timeliness standards set for their functions.



## MESSAGE FROM THE INSPECTOR GENERAL

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I am pleased to present the USDA OIG *Annual Plan* for FY 2016. This document describes how OIG will achieve its mission of promoting economy, efficiency, effectiveness, and integrity in the delivery of USDA programs. In establishing our goals and objectives, we again aligned our annual plan with the OIG *Strategic Plan* for FY 2013-2018. This plan represents the continuing efforts of OIG employees to focus on critical USDA programs and activities of national importance. Although the Federal government continues to be challenged with fiscal restraints, OIG was able to leverage a stabilized FY 2015 budget and realized reductions in rental costs to enable the hiring of new agents and auditors. This will allow us to expand our areas of interest and effectiveness in evaluating USDA programs.

Our internal *Diversity and Inclusion Strategic Plan, Fiscal Years 2014-2018*, issued last year, has been a successful tool in communicating OIG's diversity and inclusion strategic direction and has provided transparency and accountability for achievement of the related goals and strategies. Our Diversity and Conflict Resolution Director continues to work with our Human Resources staff with a goal of developing measures to evaluate its effectiveness in reaching our overall goal of maintaining a highly qualified and diverse workforce with the tools and training necessary to continuously enhance OIG's ability to fulfill its mission.

Our *Annual Plan* includes a wide range of reviews of USDA programs and activities. For example, we continue to review the research practices and operations of the U.S. Meat Animal Research Center to evaluate the concerns expressed by Congress and reported by the media regarding animal welfare. We are also evaluating the effectiveness of the coordination of USDA farm program compliance efforts to ensure eligibility and minimize improper payments. As in prior years, we continue to review and evaluate USDA's agencies for compliance with Executive Order 13520, *Reducing Improper Payments and Eliminating Waste in Federal Programs*, as well as the Improper Payments Elimination and Recovery Act of 2010. We strategically moved the evaluation of USDA and agency progress in implementing critical IT security controls from Goal 3 to Goal 1. Finally, we are completing our review to determine whether the Office of Chief Scientist and the Department's key agencies responsible for performing or administering research have adequate controls to prioritize research and ensure the research is funded according to approved priorities.

Again, we are pleased to present this *Annual Plan* for FY 2016 and are committed to the continued accomplishments of our strategic goals, which are designed to respond to priority requirements, develop new areas of responsibility, and support ongoing audit and investigative work. OIG appreciates the ongoing support of the Secretary and the Congress as we strive to provide effective oversight of USDA programs in FY 2016.

Phyllis K. Fong  
Inspector General



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## INTRODUCTION

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The USDA OIG's *Strategic Plan* for FY 2013-2018 establishes our mission, vision, and goals for 5 years. Our plan independently prioritizes our work within the overall context of USDA's FY 2014-2018 *Strategic Plan*. By independently setting our priorities, goals, and objectives, we are able to continually assess the quality, efficiency, and effectiveness of the services USDA delivers to its constituency. OIG is committed to providing a positive return on the U.S. taxpayers' investment by planning our work to address issues of the greatest importance and to achieve the most significant results. OIG continues its work to ensure the overall integrity of payments in USDA programs and the effectiveness of those programs. This *Annual Plan* presents the FY 2016 work that USDA OIG intends to undertake in support of our *Strategic Plan*.

## RESOURCES AND ORGANIZATION

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We assessed the work for this Annual Plan relative to the resources that we believe will be available to accomplish our strategic goals. Because the FY 2016 funding level is uncertain, the Annual Plan may be adjusted during the year to reflect any changes in resources. Appendix B describes our current organizational structure and functional responsibilities.

## FY 2016 WORK PLAN

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A summary of the work we plan in support of our FY 2016 strategic goals is as follows:

### **GOAL 1: Strengthen USDA's ability to implement and improve safety and security measures to protect the public health, as well as agricultural and Departmental resources.**

We expect to use approximately 15 percent of our audit and 5 percent of our investigative resources in achieving this goal.<sup>1</sup> Our investigations work focuses on threats to the food supply, the agricultural sector, and USDA employees and facilities. Our audit work focuses on assessing management control systems designed to ensure that the Department is effectively protecting the consumer and the nation's agricultural resources. Audit work also focuses on the security and management of the Department's IT resources. For FY 2016, our priorities include the following:

- Evaluate whether the Food Safety and Inspection Service (FSIS) has sufficient controls in place to ensure information about allergens are properly disclosed on product labels.
- Evaluate FSIS' monitoring and oversight over the State Meat and Poultry Inspection programs.
- Conduct the mandated audit for FY 2016<sup>2</sup> as required by the Federal Information Security Management Act (FISMA).
- Evaluate USDA and agencies' progress in implementing critical IT security controls.
- Oversee an independent contractor's assessment of USDA's Continuous Diagnostics and Monitoring (CDM) program. USDA's CDM program, once implemented, should help transform the way it manages its cyber networks by utilizing strategically procured tools and services and ultimately strengthen its cyber networks.
- Determine if the Forest Service (FS) has adequate controls over the inventory of explosives and munitions. Specifically, we will determine whether FS maintains an accurate database of all explosives and magazines both owned by FS and housed within the National Forest System and whether the controls are sufficient to ensure the security of these devices.
- Evaluate the adequacy of FS' controls over critical deferred maintenance, including safety inspections and condition assessments, to mitigate threats to public health and safety. We will also evaluate FS' actions to effectively reduce its critical deferred maintenance backlog and address previous OIG audit recommendations.
- Determine if FS' next generation and legacy air tanker contracts were solicited, competed, and awarded according to the Federal Acquisition Regulation (FAR) and that contract modifications are within the scope of the original award.

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<sup>1</sup> While all OIG teams contribute to each goal, we can currently quantify and project only the audit and investigation resources employed.

<sup>2</sup> Beginning in FY 2016, we are including work associated with IT security based on revisions to Goal 1, which incorporates security measures that protect Departmental resources in OIG's *Strategic Plan*. Previously, this work was included in Goal 3, where our FY 2015 FISMA work is included.



- Complete our review to determine whether the Agricultural Marketing Service (AMS) has adequate controls to ensure (1) processed fruits and vegetables are procured in compliance with Federal purchasing regulations, and (2) vendors' facilities and products are timely and effectively inspected.
- Complete our review to evaluate if FSIS' (1) determinations that the exporting countries' food safety systems are equivalent to U.S. standards, and (2) oversight is adequate to ensure that foreign systems remain equivalent. We will also evaluate the effectiveness of corrective actions implemented by FSIS as a result of prior OIG audits in 2005 and 2008.
- Complete our review to evaluate the corrective actions taken by FSIS to implement prior OIG audit recommendations concerning improvements in staffing, training, and supervising in-plant inspectors; oversight of the Humane Methods of Slaughter Act; removing specified-risk materials; and information system management controls.
- Complete our review to determine if the Agricultural Research Service (ARS) has designed and implemented the controls recommended in our prior audit to ensure sensitive technology has not been susceptible to questionable transfer.
- Complete our review of the research practices and operations of the U.S. Meat Animal Research Center (MARC) to evaluate the concerns expressed by Congress and reported by the media regarding animal welfare. We will also examine ARS' oversight and monitoring of MARC as it relates to animal welfare.
- Complete our evaluation to determine if USDA's Office of Homeland Security and Emergency Coordination's (OHSEC) Continuity and Planning Division (CPD) has developed and communicated effective plans and procedures designed to prevent, detect, and respond to agro-terrorism threats.
- Investigate threats involving the safety of meat, poultry, and egg products to ensure timely response and appropriate corrective actions are taken to protect the public from food tampering or tainted food.
- Investigate allegations of animal, animal product, plant, and plant product smuggling that can introduce devastating diseases and pests into American agriculture.
- Investigate alleged assaults and related crimes against USDA officials and employees relating to the performance of their official duties.

## **GOAL 2: Reduce program vulnerabilities and strengthen program integrity in the delivery of program assistance.**

We expect to use approximately 22 percent of our audit and 90 percent of our investigative resources to accomplish this goal. Our investigative focus includes threats to the integrity and effectiveness of various USDA programs. Our audit focus includes assessing internal control systems and identifying risk indicators that should increase both OIG's and USDA's ability to detect and prevent program abuse and criminal activity. For FY 2016, our priorities include the following:

- Evaluate high-volume loss adjusters for crop years 2012 through 2014 to determine if the Risk Management Agency's (RMA) internal controls ensure adequate loss adjustment and review of disparate loss adjusters.
- Determine whether the Rural Housing Service's (RHS) controls for originating and closing direct single family housing loans were effectively designed and operating to ensure that direct single family loans were made only for eligible properties to eligible borrowers. We will also determine to what extent RHS has met its responsibilities to ensure that rural housing recipients are protected against questionable contractors, builders, lenders, and other entities during construction.
- Utilize computer matching agreements with the U.S. Department of the Treasury's Do Not Pay website to match USDA datasets and identify potential improper payments to ineligible participants in accordance with Improper Payments Elimination and Recovery Act standards.
- Review AMS' oversight of the European Union Organic Equivalence 2012 arrangement to ensure that European Union products marketed as organic in the United States meet the standards established in the arrangement. We will also evaluate whether USDA-certified organic products shipped to Europe meet the requirements of the arrangement.
- Complete our review to determine whether the Natural Resources Conservation Service (NRCS) made wetland determinations in the Prairie Pothole Region in accordance with the 1985 Food Security Act, as amended, and any regulations and policies established by NRCS to implement the Act. In addition, we will determine whether NRCS complied with laws and regulations regarding appeals, mediation, and National Appeals Division determinations applicable to wetland conservation.
- Complete our review to determine the adequacy of processes used to identify and monitor the proper disposition of violations of compliance related to the Highly Erodible Land and Wetland Provisions of the 1985 Food Security Act. We will review all violations reported in association with the 1985 Food Security Act.
- Complete our review of the Rural Utilities Service's (RUS) controls over the Energy Efficiency and Conservation Loan Program to ensure (1) RUS borrowers and consumers meet loan eligibility requirements, (2) loans are being used for energy efficiency purposes that benefit rural areas, and (3) there are ongoing evaluations to assess the need for the program.
- Complete our review to determine if the Rural Business-Cooperative Service (RBS) is ensuring that program participants and projects in the Rural Energy for America Program met eligibility requirements, and funds were used in accordance with regulations.

- Complete our review to determine if RBS' corrective actions for the Intermediary Relending Program have been effective at eliminating or reducing previously identified issues, including (1) loans made for ineligible purposes, (2) loans exceeding loan limits, (3) loans made in non-rural areas, and (4) intermediaries not promptly relending funds.
- Complete our review to determine if the Centralized Servicing Center is properly and accurately reporting customer delinquency, defaults, and loan payoff information to credit reporting agencies and the Credit Alert Interactive Verification Reporting System in a timely manner.
- Complete our evaluation of the effectiveness of the coordination of USDA farm programs' compliance efforts between FSA, RMA, and NRCS to ensure eligibility and to minimize improper payments. We will also review how effectively the agencies are using common information to identify noncompliance activities and how shared information in the Comprehensive Information Management System is used by agencies to ensure accurate reporting.
- Complete our review to assess RMA's Approved Insurance Providers' (AIPs) compliance with underwriting procedures for both program and non-program crops by determining (1) whether producers maintained detailed farming records, (2) if the AIPs conducted the required inspections, (3) the adequacy of AIP inspections, and (4) if AIPs tested producer supporting documentation. We will also assess RMA's internal controls ensuring that AIPs have timely and properly completed all required inspections and thoroughly documented these reviews.
- Complete our review to determine (1) whether the National Institute of Food and Agriculture (NIFA) allocated funds according to statutory formulas, including if formula data such as farm and rural populations are used accurately, and (2) whether the statutory formulas continue to be relevant and are supported by appropriate documentation.
- Complete our review to determine whether FNS has adequate controls in place to ensure that the State agencies are appropriately implementing the work requirements for Supplemental Nutrition Assistance Program (SNAP) recipients and ensuring that only eligible able-bodied adults without dependents are receiving benefits.
- Complete our review of SNAP vendor and participant data for FYs 2014-2015 to identify stores potentially trafficking benefits.
- Complete our review of FNS' SNAP administrative costs to determine (1) the accuracy of FNS' SNAP administrative costs claimed by States for FY 2013 to 2015, (2) the reasons for the high variance of administrative costs among the States, and (3) best practices found in States where low administrative costs exist that can be applied to other States.
- Complete our evaluation of FNS' administration and oversight of States' pilot projects to help SNAP work registrants obtain employment and increase earned income. We will determine if States are (1) effectively managing and monitoring project activities and performance, (2) using program funds in accordance with requirements, and (3) effectively measuring and evaluating the results of the pilot. We will also determine if the pilot is accomplishing its goal.
- Investigate allegations of criminal activity in farm programs, including the crop insurance and farm loan programs.

- Investigate alleged criminal activity in food and nutrition programs, including SNAP and its Electronic Benefits Transfer (EBT) delivery system, the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), and the National School Lunch Program (NSLP). Activities are expected to include continuing an initiative with FNS to pursue prosecution of both retailers and SNAP recipients who misuse benefits, as well as working with States transitioning to the electronic disbursement of WIC benefits.
- Investigate allegations of criminal activity in USDA's disaster relief and assistance programs (e.g., crop insurance, indemnity payments, grants and loans, and assistance provided after Hurricane Sandy).

### **GOAL 3: Provide USDA with oversight to help it achieve results-oriented performance.**

We expect to use approximately 63 percent of our audit and 5 percent of our investigative resources to accomplish this goal. Our audit focus is on improved financial management and accountability, real property management and procurement, and outreach activities. Our investigative focus includes allegations of criminal violations or misconduct by USDA employees. For FY 2016, our mandated and priority work includes the following:

- Audit the FY 2015-2016 USDA consolidated financial statements and the financial statements of five stand-alone agencies and entities: the Commodity Credit Corporation (CCC), the Federal Crop Insurance Corporation (FCIC), FNS, NRCS, and Rural Development.
- Complete reviews of USDA's compliance with improper payment requirements and the reporting of high dollar overpayments.
- Evaluate the (1) adequacy of USDA agency controls to ensure OIG audit recommendations are effectively implemented (i.e., the final action process), and (2) the sufficiency of agency resources provided to achieve final action.
- Determine whether NRCS controls over the Regional Conservation Partnership Program are adequate to ensure compliance with Farm Bill provisions and to ensure funds were used for their intended purposes.
- Review and evaluate the Department's implementation of the requirements of the Digital Accountability and Transparency (DATA) Act of 2014.
- Evaluate if the Office of the Assistant Secretary for Civil Rights (OASCR) has controls in place to ensure that all EEO civil rights complaints, including those against high ranking USDA officials, are processed in a timely manner and referred to and reviewed by appropriate officials in accordance with procedures. We will also review actions taken by OASCR to determine if any harm was caused by processing delays and subsequent actions to address any harm.
- Determine if FS has sufficient controls to ensure contracts are awarded competitively and the agency is obtaining the best value for the Government.
- Evaluate the Watershed Condition Framework, which FS uses to determine the condition of watersheds and prioritize watersheds for restoration or maintenance, and verify if watersheds were correctly identified and prioritized.
- Evaluate USDA's Suspension & Debarment (S&D) Program to determine (1) whether USDA's corrective actions taken in response to our prior audit report, issued August 2010, were adequate, and (2) if USDA actively assesses and refers USDA program violators to S&D for adjudication.
- Complete our review to determine whether USDA is reporting past performance information to the Contractor Performance Assessment Reporting System (CPARS) for contract actions entered in FY 2013.
- Complete our review of NRCS' controls over the implementation and execution of the Conservation Stewardship Program (CSP) to determine whether NRCS has adequate controls to ensure eligibility, accurate payments, and producer compliance.
- Complete our review to determine whether producers are shifting their CSP payment shares to evade CSP payment limitations.



- Complete our review to determine whether the Office of the Chief Scientist (OCS) and the Department's key agencies responsible for performing or administering research (ARS, NIFA, and FS) have adequate internal controls to (1) prioritize agricultural research and (2) ensure the research is funded according to approved priorities. We will also assess OCS' response to recommendations made in a 2013 GAO report on research coordination between ARS and NIFA.<sup>3</sup>
- Complete follow-up on our 2006 audit and evaluate FS' current efforts in prioritizing its hazardous fuels reduction work to those wildland urban interface areas identified in the Community Wildlife Protection Plans.
- Complete our review to determine the adequacy of FS' controls regarding the administration of cost-share agreements.
- Complete our evaluation to determine whether the Foreign Agricultural Service is effectively coordinating and monitoring the implementation of the Administration's new Trade Agreement initiatives. We will also determine if the Department has effectively integrated these trade initiatives into USDA's trade strategies.
- Complete our review to determine whether USDA agencies are taking the appropriate actions to achieve the Department's strategic goals for climate change.
- Investigate allegations of employee corruption and fraud.

<sup>3</sup> GAO, *Two USDA Agencies Can Enhance Safeguards against Project Duplication and Strengthen Collaborative Planning*, GAO-13-255 (Washington, D.C.: April 12, 2005).

**GOAL 4: Maintain a highly qualified and diverse workforce with tools and training necessary to continuously enhance OIG's ability to fulfill its mission.**

Our management focus is on enhancing all communication through existing technologies, timely reporting information to stakeholders, and delivering quality service to employees. Our FY 2016 management priorities include the following:

- Continue ongoing activities pursuant to the OIG Diversity and Inclusion Strategic Plan for FY 2014-2018.
- Enhance communication between Senior Staff and all OIG employees.
- Maintain internal and external response times to IT security incidents.
- Deliver quality OIG internal training courses.

## FY 2015 PERFORMANCE SUMMARY AND RESULTS

Our *Strategic Plan* identifies the results of our work using a life-cycle approach to our outputs that tracks individual actions at critical milestones. In FY 2015, OIG met 14 of the 16 performance measures. The following tables illustrate our FY 2015 results in comparison with our performance targets. For FY 2016, our performance measures and targets can be found on the back cover.

### IG Strategic and Performance Goals and FY 2015 Results

Strategic Goal	Performance Goals
(1) Safety and Security	Strengthen USDA's ability to implement and improve safety and security measures to protect the public health, as well as agricultural and Departmental resources.
(2) Integrity of Benefits	Reduce program vulnerabilities and strengthen program integrity in the delivery of program assistance.
(3) Management Improvement Initiatives	Provide USDA with oversight to help it achieve results-oriented performance.
(4) Qualified Diverse Workforce	Maintain a highly qualified and diverse workforce by providing the tools and training necessary to continuously enhance OIG's ability to fulfill its mission.

Performance Measures	FY 2015 Target	FY 2015 Actual
(1) Percentage of OIG direct resources dedicated to critical-risk or high-impact activities.	94%	96.7%
(2) Percentage of audit recommendations where management decisions are achieved within 1 year.	92%	90.9%
(3) Mandatory, Congressional, Secretarial and Agency (MCSA) requested audits initiated where the findings and recommendations are presented to the auditee within established or agreed-to timeframes (includes verbal commitments).	90%	100%
(4) Percentage of closed investigations that resulted in a referral for action to the Department of Justice, State, or local law enforcement officials, or appropriate administrative authority.	75%	88.9%
(5) Percentage of closed investigations that resulted in an indictment, conviction, civil suit or settlement, judgment, administrative action, or monetary recovery.	70%	82.3%
(6) On a biannual basis, positive employee satisfaction rate reported in staff surveys.	70%	63.1%
(7) Internal and external IT security incidence response and resolution accomplished within 30 days of incident.	95%	100%
(8) Positive evaluation scores on OIG internal training course evaluations.	85%	92.2%
(9) Visible and interactive communication between Senior Staff and all OIG employees occurs bi-monthly.	80%	117%
(10) EEO Counselor's internal and external reports will be completed within 15 calendar days after the counseling period ends.	85%	100%

Performance Measures	FY 2015 Target	FY 2015 Actual
(11) Inspection reports issued in final with management response within 60 days.	85%	100%
(12) Inspection report recommendations accepted annually.	85%	94.3%
(13) Requests from Congress acknowledged either orally or in writing within 5 working days of receipt.	95%	100%
(14) Counsel to the Inspector General issues IG subpoenas within 5 working days upon receipt of complete information for review.	95%	100%
(15) Meet statutory deadlines on Freedom of Information Act (FOIA) appeals.	95%	100%
(16) Issue legal opinions within 30 calendar days of receipt of request, or other agreed-to date.	85%	100%

## CONCLUSION

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Throughout FY 2016, we will continue to monitor our progress in achieving the performance objectives of this plan through periodic reporting. Adjustments may be made to reflect shifting priorities, increased or reduced resources, or other circumstances that may arise.

In developing this annual plan, we made every effort to reasonably assess our planned work's strategic alignment and importance, anticipated outcomes, and resource requirements. We believe it represents a balanced and achievable set of performance objectives for FY 2016. We will report on our results through our semiannual reports to Congress.

## **APPENDIX A: RELATED MATERIALS AND INFORMATION**

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**OIG Strategic Plan for FY 2013-2018:**

[http://www.usda.gov/oig/webdocs/USDA\\_OIG\\_2013\\_Five\\_Year\\_Plan\\_508c.pdf](http://www.usda.gov/oig/webdocs/USDA_OIG_2013_Five_Year_Plan_508c.pdf)

**USDA Strategic Plan for FY 2014-2018:**

<http://www.usda.gov/documents/usda-strategic-plan-fy-2014-2018.pdf>

**USDA Major Management Challenges (August 2015):**

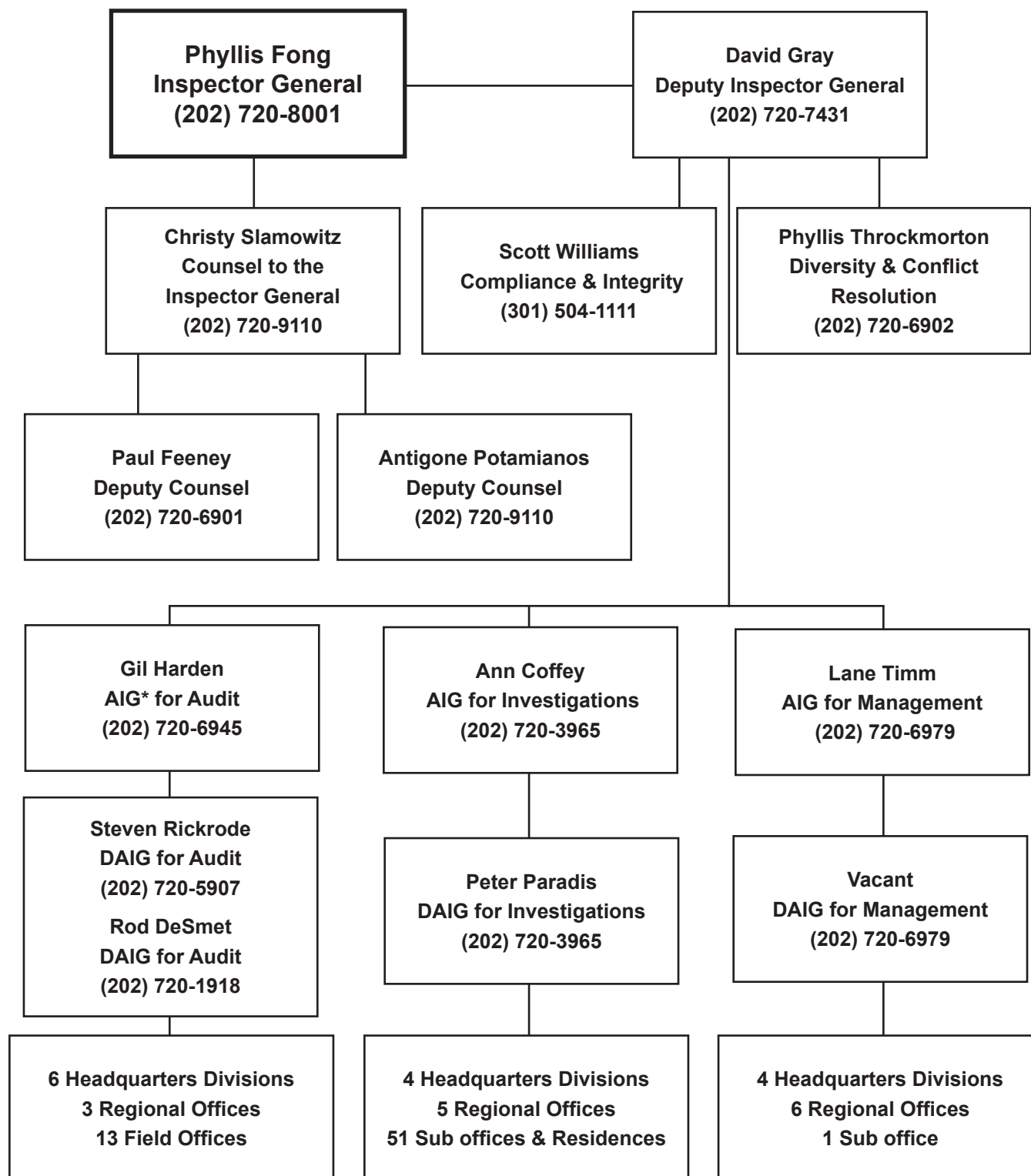
<http://www.usda.gov/oig/webdocs/MgmtChallenges2015.pdf>

**OIG Diversity and Inclusion Strategic Plan for FY 2014-2018:**

<http://www.oig.usda.gov/intranet/dcr/DIStratPlanFY14-FY18.pdf>



## APPENDIX B: OIG ORGANIZATIONAL CHART AND FUNCTIONAL RESPONSIBILITIES - SEPTEMBER 2015



Note 1: \*AIG—Assistant Inspector General

Note 2: \*\*DAIG—Deputy Assistant Inspector General

## OIG AREAS OF RESPONSIBILITY

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### Audit

The Office of Audit (OA) conducts independent and objective audits, reviews, and other examinations to improve the economy and efficiency of USDA programs and operations, including program results, compliance with applicable laws and regulations, and the accuracy of financial reports. While most audit work is done by in-house staff, OA contracts with certified public accountants for some work and oversees the quality of work done by auditors under contract to other USDA agencies. OIG audits are performed in accordance with Generally Accepted Government Auditing Standards, published by the U.S. Government Accountability Office.

### Investigations

The Office of Investigations investigates allegations of crime, cyber-crime, fraud, abuse, or misconduct having an impact on USDA programs, personnel, and resources. We utilize specific law enforcement authorities, tools, and techniques, including the use of asset forfeiture, to conduct our investigations and prevent fraud, waste, and abuse in the programs and operations of USDA.<sup>4</sup> Investigative work is intended to result in appropriate actions to resolve allegations and to prevent and deter future instances of illegal acts or misconduct.

### Counsel

The Office of Counsel (OC) provides legal advice and representation on a wide variety of issues arising during the course of OIG's audit and investigative activities, as well as internal administrative and management matters. OC also manages OIG's congressional and media relations, ethics, and Freedom of Information Act/Privacy Act programs; and reviews proposed legislation, regulations, policies, and procedures.

### Management

The Office of Management (OM) provides financial, procurement, human resources, administrative, and information technology services support to the OIG staff. OM also oversees the development of and adherence to management policies and procedures. In addition, OM is responsible for asset management, budget formulation and execution, and cross-OIG workplace training. Finally, OM facilitates OIG's planning activities and reports on various OIG accomplishments.

### Compliance and Integrity

The Office of Compliance and Integrity (OCI) performs independent quality assurance and internal control reviews of OIG operations. These reviews provide senior management with reasonable assurance that OIG operations and activities are being conducted in accordance with policy. OCI also investigates allegations of criminal and/or serious administrative misconduct by OIG employees.

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<sup>4</sup> As a component member of the U.S. Department of Justice's (DOJ) Asset Forfeiture Program, OIG supports DOJ's *National Asset Forfeiture Strategic Plan* by making tracing and recovery of assets an integral part of every appropriate criminal investigation.

## **Diversity and Conflict Resolution**

The Office of Diversity and Conflict Resolution (ODCR) advises OIG leadership on applying principles of civil rights, equal employment opportunity, dispute resolution, diversity, and inclusion on matters pertaining to the OIG workforce, program activities, and policy development. This office also guides employees who seek the use of the Federal employment discrimination complaint and dispute resolution processes, as needed. Through its Special Emphasis Programs and other diversity initiatives, ODCR leads OIG's efforts to foster and maintain a diverse and inclusive work environment. This ensures that OIG continues to recognize and value every individual's unique skills and perspectives.

## APPENDIX C: DISTRIBUTION OF AUDIT RESOURCES BY AGENCY

### FY 2016 PLANNED

Mission Area	Agency	%
Natural Resources and Environment—18.9%	Forest Service (FS)	13.6
	Natural Resources Conservation Service (NRCS)	5.3
Farm and Foreign Agricultural Services—10.2%	Farm Service Agency (FSA)	1.4
	Foreign Agricultural Service (FAS)	2.1
	Risk Management Agency (RMA)	6.5
	Commodity Credit Corporation (CCC)	0.2
Rural Development—10.8%	Rural Development (RD)	3.8
	Rural Utilities Service (RUS)	2.1
	Rural Housing Service (RHS)	2.3
	Rural Business-Cooperative Service (RBS)	2.6
Food, Nutrition, and Consumer Services—12.7%	Food and Nutrition Service (FNS)	12.7
Food Safety—8.0%	Food Safety and Inspection Service (FSIS)	8.0
Marketing and Regulatory Programs—3.4%	Agricultural Marketing Service (AMS)	2.1
	Animal and Plant Health Inspection Service (APHIS)	1.0
	Grain Inspection, Packers and Stockyards Administration (GIPSA)	0.3
Research, Education, and Economics—3.1%	Agricultural Research Service (ARS)	1.0
	National Institute of Food and Agriculture (NIFA)	2.1
	National Agricultural Statistics Service (NASS)	0.0
	Economic Research Service (ERS)	0.0
Executive Secretariat and Other Entities—9.0%	Office of the Secretary (OSEC), Departmental Management (DM), Office of the Chief Financial Officer (OCFO), Office of the Chief Information Officer (OCIO), Office of the Assistant Secretary for Civil Rights (OASCR)	9.0
Multiple Agency—23.9%		23.9

## APPENDIX D: DISTRIBUTION OF INVESTIGATIVE RESOURCES BY AGENCY

### FY 2016 ANTICIPATED

Mission Area	Agency	%
Natural Resources And Environment—3.0%	Forest Service (FS)	2.5
	Natural Resources Conservation Service (NRCS)	0.5
Farm And Foreign Agricultural Services—17.0%	Farm Service Agency (FSA)	10.0
	Foreign Agricultural Service (FAS)	1.0
	Risk Management Agency (RMA)	6.0
Rural Development—5.0%	Rural Utilities Service (RUS)	1.0
	Rural Housing Service (RHS)	2.5
	Rural Business-Cooperative Service (RBS)	1.5
Food, Nutrition, And Consumer Services—68.0%	Food and Nutrition Service (FNS)	68.0
Food Safety—3.0%	Food Safety and Inspection Service (FSIS)	3.0
Marketing And Regulatory Programs—3.0%	Agricultural Marketing Service (AMS)	0.8
	Animal and Plant Health Inspection Service (APHIS)	2.0
	Grain Inspection, Packers and Stockyards Administration (GIPSA)	0.2
Research, Education, And Economics—0.5%	Agricultural Research Service (ARS)	0.3
	National Institute of Food and Agriculture (NIFA), Economic Research Service (ERS), and National Agricultural Statistics Service (NASS)	0.2
Other—0.5%	Departmental Management (DM), Office of the Chief Financial Officer (OCFO), Office of the Chief Information Officer (OCIO), Office of the Assistant Secretary for Civil Rights (OASCR), OIG, and others.	0.5



## APPENDIX E: FISCAL YEAR 2016 AUDITS PLANNED AND IN PROCESS

Agency		Title	Goal
AMS	*	Procurement and Inspection of Fruits and Vegetables	Safety and Security
		National Organic Program Partnership between the United States and the European Union	Integrity of Benefits
ARS	*	U.S. Meat Animal Research Center	Safety and Security
	*	Adequacy of Controls to Prevent the Release of Sensitive Technology	Safety and Security
ASCR		Processing of EEO Complaints	Improvement Initiatives
CCC	*	Commodity Credit Corporation's Financial Statements for FYs 2015 and 2014	Improvement Initiatives
		Commodity Credit Corporation's Financial Statements for FYs 2016 and 2015	Improvement Initiatives
FAS	*	FAS Implementation of the Administration's Trade Agreement Initiatives	Improvement Initiatives
FNS	*	SNAP Administrative Costs	Integrity of Benefits
	*	USDA Pilot Project to Reduce Dependency and Increase Work Requirements and Work Effort under Supplemental Nutrition Assistance Program	Integrity of Benefits
	*	Controls over SNAP Benefits for Able-Bodied Adults Without Dependents	Integrity of Benefits
	*	Detecting SNAP Trafficking Using Data Analysis	Integrity of Benefits
	*	Food and Nutrition Service's Financial Statements for FYs 2015 and 2014	Improvement Initiatives
		Food and Nutrition Service's Financial Statements for FYs 2016 and 2015	Improvement Initiatives
FS	*	USDA's Plan for Addressing Climate Change	Improvement Initiatives
	*	Firefighting Cost Share Agreements with Non-Federal Entities	Improvement Initiatives
	*	Wildland Fire Activities-Hazardous Fuels Reduction	Improvement Initiatives
		Air Tanker Contract Awards	Safety and Security
		Critical Deferred Maintenance	Safety and Security
		Controls over Explosives and Magazines	Safety and Security
		Watershed Management	Improvement Initiatives
		Controls over Service Contracts	Improvement Initiatives
FSIS	*	Follow-Up on the 2007 and 2008 Audit Initiatives	Safety and Security
	*	Evaluation of FSIS' Equivalency Assessments of Exporting Countries	Safety and Security
		Controls over the State Meat and Poultry Inspection Program	Safety and Security
		Controls over Declaring Allergens on Product Labels	Safety and Security
MULTI	*	FY 2015 Federal Information Security Management Act Audit	Improvement Initiatives
	*	Coordination of USDA Farm Program Compliance—FSA, RMA, and NRCS	Integrity of Benefits
	*	Department's Controls over Prioritizing and Funding Agricultural Research	Improvement Initiatives
	*	Audit of USDA's Compliance with Contractor Past Reporting Requirements	Improvement Initiatives
	*	Department of Agriculture's Closing Package Financial Statements for FYs 2015 and 2014	Improvement Initiatives

Agency		Title	Goal
	*	Hispanic and Women Farmers and Ranchers Claim Resolution Process	Improvement Initiatives
	*	Department of Agriculture's Consolidated Financial Statements for FYs 2015 and 2014	Improvement Initiatives
		FY 2016 Federal Information Security Management Act Audit	Safety and Security
		Assessment of USDA's Continuous Diagnostics Monitoring	Safety and Security
		Review of USDA's Scanning, Patching and Remediation of Known Vulnerabilities Progress	Safety and Security
		Detect Ineligible Participants' Improper Payments by Matching USDA Programs' Databases to Do Not Pay	Integrity of Benefits
		Department of Agriculture's Closing Package Financial Statements for FYs 2016 and 2015	Improvement Initiatives
		Statement on Standards for Attestation Engagement No. 16 Report on Controls at the National Finance Center for October 1, 2015 to July 2016	Improvement Initiatives
		USDA's Fiscal Year 2015 Compliance with Improper Payment Requirements	Improvement Initiatives
		General and Application Controls Work for USDA's Financial Statement Audits for FYs 2015 and 2016	Improvement Initiatives
		Department of Agriculture's Consolidated Financial Statements for FYs 2016 and 2015	Improvement Initiatives
		Fiscal Year 2015 Executive Order 13520, Reducing Improper Payments High Dollar Overpayment Review	Improvement Initiatives
		Implementation of Suspension and Debarment Tools in the U.S. Department of Agriculture	Improvement Initiatives
NIFA	*	NIFA Formula Grant Programs Controls over Fund Allocations to States	Integrity of Benefits
NRCS	*	NRCS: Wetland Determinations in the Prairie Pothole Region	Integrity of Benefits
	*	NRCS Monitoring of Highly Erodible Land and Wetland Conservation Violations	Integrity of Benefits
	*	Conservation Stewardship Program Payment Limitations	Improvement Initiatives
	*	Natural Resources Conservation Service's Financial Statements for FYs 2015 and 2014	Improvement Initiatives
	*	Controls over the Conservation Stewardship Program	Improvement Initiatives
	*	Natural Resources Conservation Service's Financial Statements for FY 2015	Improvement Initiatives
		Natural Resources Conservation Service's Financial Statements for FY 2016	Improvement Initiatives
		NRCS Regional Conservation Partnership Program Controls	Improvement Initiatives
OCFO		Departmental Oversight of Final Action on OIG Audit Recommendations	Improvement Initiatives
		Implementation of the Digital Accountability and Transparency (Data) Act of 2014	Improvement Initiatives
		Agreed-Upon Procedures: Employee Benefits, Withholdings, Contributions, and Supplemental Semiannual Headcount Report	Improvement Initiatives
OHSEC	*	Agroterrorism Prevention and Detection	Safety and Security
		FY 2016 Classification Management	Improvement Initiatives
RBS	*	Intermediary Relending Program	Integrity of Benefits
	*	Rural Energy for America Program	Integrity of Benefits

Agency		Title	Goal
RD	*	Rural Development's Financial Statements for FYs 2015 and 2014	Improvement Initiatives
		Rural Development's Financial Statements for FYs 2016 and 2015	Improvement Initiatives
RHS	*	Single Family Housing Direct Loan Credit Reporting	Integrity of Benefits
		Controls over Originating and Closing Rural Housing Service's Direct Single Family Loan Program	Integrity of Benefits
RMA	*	Accuracy of Approved Insurance Provider Underwriting of Crop Insurance Policies	Integrity of Benefits
	*	Federal Crop Insurance Corporation's Financial Statements for FYs 2015 and 2014	Improvement Initiatives
		RMA Oversight of the Loss Adjustment Process	Integrity of Benefits
		Federal Crop Insurance Corporation's Financial Statements for FYs 2016 and 2015	Improvement Initiatives
RUS	*	RUS—Energy Efficiency and Conservation Loan Program	Integrity of Benefits

## Notes on Appendix E

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<b>Asterisk (*):</b>	Denotes work-in-process, which is carried over from an assignment initiated in the prior fiscal year.
<b>Safety and Security:</b>	Goal 1: Strengthen USDA's ability to implement and improve safety and security measures to protect the public health, as well as agricultural and Departmental resources.
<b>Integrity of Benefits:</b>	Goal 2: Reduce program vulnerabilities and strengthen program integrity in the delivery of program assistance.
<b>Improvement Initiatives:</b>	Goal 3: Provide USDA with oversight to help it achieve its results-oriented performance.

## APPENDIX F: ACRONYMS

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AIP	Approved Insurance Providers
AMS	Agricultural Marketing Service
APHIS	Animal and Plant Health Inspection Service
ARS	Agricultural Research Service
CCC	Commodity Credit Corporation
CDM	Continuous Diagnostics and Monitoring
CPARS	Contractor Performance Assessment Reporting System
CPD	Continuity and Planning Division
CSP	Conservation Stewardship Program
DATA	Digital Accountability and Transparency Act of 2014
DOJ	U.S. Department of Justice
DM	Departmental Management
EBT	Electronic Benefits Transfer
EEO	Equal Employment Opportunity
ERS	Economic Research Service
FAR	Federal Acquisition Regulation
FAS	Foreign Agricultural Service
FISMA	Federal Information Security Management Act
FNS	Food Nutrition Service
FOIA	Freedom of Information Act
FS	Forest Service
FSA	Farm Service Agency
FSIS	Food Safety Inspection Service
FY	fiscal year
GIPSA	Grain Inspection, Packers and Stockyards Administration
IG	Inspector General
IT	information technology
MARC	U.S. Meat Animal Research Center
MCSA	Mandatory, Congressional, Secretarial and Agency
NASS	National Agricultural Statistics Service
NIFA	National Institute of Food and Agriculture
NSLP	National School Lunch Program
OA	Office of Audit
OC	Office of Counsel
OCFO	Office of the Chief Financial Officer
OCI	Office of Compliance and Integrity
OCIO	Office of the Chief Information Officer
ODCR	Office of Diversity and Conflict Resolution
OI	Office of Investigations
OM	Office of Management
OASCR	Office of the Assistant Secretary for Civil Rights
OCS	Office of Chief Scientist
OHSEC	Office of Homeland Security and Emergency Coordination

OIG .....Office of Inspector General  
OSEC .....Office of the Secretary  
NRCS .....Natural Resources Conservation Service  
RBS .....Rural Business-Cooperative Service  
RD .....Rural Development  
RMA.....Risk Management Agency  
RHS.....Rural Housing Service  
RUS.....Rural Utilities Service  
S&D .....Suspension & Debarment  
SNAP .....Supplemental Nutrition Assistance Program  
USDA.....United States Department of Agriculture  
WIC.....Special Supplemental Nutrition Program for Women, Infants and Children

## OVERVIEW OF OIG PLANS FOR FISCAL YEAR 2016

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During FY 2014, we issued an updated OIG *Strategic Plan* for FY 2013-2018. The following table illustrates OIG's revised strategic goals, the direct resources to be spent on each goal, and the new FY 2016 performance targets.

Percentage of Direct Resources to be Allocated on each FY 2016 Goal	Audit	Investigations
(1) Strengthen USDA's ability to implement and improve safety and security measures to protect the public health, as well as agricultural and Departmental resources.	15%	5%
(2) Reduce program vulnerabilities and strengthen program integrity in the delivery of program assistance.	22%	90%
(3) Provide USDA with oversight to help it achieve its results-oriented performance.	63%	5%
(4) Maintain a highly qualified and diverse workforce by providing the tools and training necessary to continuously enhance OIG's ability to fulfill its mission.	N/A	N/A

**Note:** Work on Goal 4 includes: (1) the OIG mission support work of the Offices of Counsel, Management, Diversity and Conflict Resolution, and Compliance and Integrity; and (2) the training of staff in all OIG organizational units.

## OVERVIEW OF OIG PLANS FOR FISCAL YEAR 2016

Performance Measures	FY 2016 Target
(1) Percentage of OIG direct resources dedicated to critical-risk or high-impact activities.	94%
(2) Percentage of audit recommendations where management decisions are achieved within 1 year.	92%
(3) MCSA-requested audits initiated where the findings and recommendations are presented to the auditee within established or agreed-to timeframes (includes verbal commitments).	90%
(4) Percentage of closed investigations that resulted in a referral for action to DOJ, State, or local law enforcement officials, or a relevant administrative authority.	75%
(5) Percentage of closed investigations that resulted in an indictment, conviction, civil suit or settlement, judgment, administrative action, or monetary result.	70%
(6) On a biannual basis, positive employee satisfaction rate reported in staff surveys.	70%
(7) Internal and external IT security incidence response and resolution accomplished within 30 days of incident.	95%
(8) Positive evaluation scores on OIG internal training course evaluations.	85%
(9) Visible and interactive communication between Senior Staff and all OIG employees occurs bi-monthly.	80%
(10) EEO Counselor's internal and external reports will be completed within 15 calendar days after the counseling period ends.	85%
(11) Inspection reports issued in final with management response within 60 days.	85%
(12) Inspection report recommendations accepted annually.	85%
(13) Requests from Congress acknowledged in writing within 5 working days of receipt.	95%
(14) Counsel to the Inspector General issues IG subpoenas within 5 working days upon receipt of complete information for review.	95%
(15) Meet statutory deadlines on Freedom of Information Act appeals.	95%
(16) Issue legal opinions within 30 calendar days of receipt of request, or other agreed-to date.	90%



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