



United States Department of State
and the Broadcasting Board of Governors

Office of Inspector General

February 5, 2014

The Honorable Patrick E. McFarland
Inspector General
Office of Inspector General
U.S. Office of Personnel Management
1900 E Street, NW, Room 6400
Washington, DC 20415-1100

Dear Mr. McFarland:

Enclosed is the final report regarding the Quality Assessment Review of the Investigative Operations of the U.S. Office of Personnel Management, Office of Inspector General (OPM OIG). This report includes our Opinion Letter to Attorney General Holder.

Enclosure #1 lists the review location and number of personnel interviewed. Enclosure #2 lists the closed investigative files reviewed. Enclosure #3 contains our suggestions for improvements to the investigative operations of OPM OIG. Enclosure #4 contains OPM OIG's comments to our suggestions for improvements and our response. Enclosure #5 contains a discussion of suggested best practices.

I would like to thank you and your staff for the outstanding support and cooperation extended to the review team throughout this process.

Sincerely,

A handwritten signature in blue ink, appearing to read "Steve A. Linick".

Steve A. Linick
Inspector General

Enclosures: As stated

**FINAL REPORT ON THE QUALITY ASSESSMENT REVIEW
OF THE INVESTIGATIVE OPERATIONS OF
THE OFFICE OF INSPECTOR GENERAL FOR
THE U.S. OFFICE OF PERSONNEL MANAGEMENT**

Conducted at Washington, DC 20415

by

**U.S. Department of State
Office of Inspector General
Washington, DC 20520**

**The Honorable Steve A. Linick, Inspector General
Pedro G. Colón III, Team Leader**

March 2013

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United States Department of State
and the Broadcasting Board of Governors

Office of Inspector General

February 5, 2014

The Honorable Eric Holder
U.S. Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001

Subject: Final Opinion Letter from the Quality Assessment Review of the
Investigative Operations for the U.S. Office of Personnel
Management, Office of Inspector General

Dear Mr. Holder:

We have reviewed the system of internal safeguards and management procedures for the investigative function of the U.S. Office of Personnel Management, Office of Inspector General (OPM OIG), in effect during Fiscal Year 2012. Our review was conducted in conformance with the Quality Standards for Investigations and Quality Assessment Review Guidelines established by the Council of Inspectors General on Integrity and Efficiency (CIGIE), and the Attorney General's Guidelines for Offices of Inspectors General with Statutory Law Enforcement Authority.

We reviewed the OPM OIG's compliance with its own system of internal policies and procedures to the extent appropriate. The review was conducted at OPM OIG's headquarters in Washington, DC. We interviewed eight OPM OIG staff members, including criminal investigators, management and support personnel, and analyzed 20 investigative files closed during Fiscal Year 2012.

In performing the review, we also considered the prerequisites of Section 6(e) of the Inspector General Act of 1978 (as amended) and Section 812 of the Homeland Security Act of 2002 (Public Law 107-296). Those documents authorize law enforcement powers for eligible personnel within each of the various offices of

presidentially appointed Inspectors General. Such Powers may be exercised only for activities authorized by the Inspector General Act of 1978, other statutes, or as expressly authorized by the Attorney General.

In our opinion, the system of internal safeguards and management procedures for the investigative function of the OPM OIG in effect during Fiscal Year 2012 is compliant with the quality standards established by the CIGIE and the Attorney General guidelines. The safeguards and procedures provide reasonable assurance that the OPM OIG is conforming to professional standards in the conduct of its investigations.

Sincerely,

A handwritten signature in blue ink, appearing to read 'S. Linick', with a stylized flourish at the end.

Steve A. Linick
Inspector General

Enclosure #1

Review Location

Locations included in the Assessment:

<u>Office Location</u>	<u>Number of Personnel Interviewed</u>
1900 E Street, NW Room 6400 Washington, DC 20415-1100	8*

*Four interviewees were selected from Headquarters staff and personally interviewed. Four additional interviewees were chosen from field office staff and interviewed telephonically. In addition to interviewing Criminal Investigators and Supervisory Criminal Investigators, we interfaced closely with administrative personnel and met with the Deputy Assistant Inspector General for Investigations on areas of particular interest.

Enclosure #2

**Review of Closed Investigative Files
(Fiscal Year 2012)**

<u>Case File Number</u>	<u>Case Closing Date</u>
I200700022	11/10/2011
I200800002	07/06/2012
I200800100	01/25/2012
I200900051	09/28/2012
I200900111	05/07/2012
I200900858	09/13/2012
I201000067	09/26/2012
I201000094	02/02/2012
I201000106	11/03/2011
I201000749	09/06/2012
I201100011	04/01/2012
I201100030	04/06/2012
I201100041	03/31/2012
I201100061	04/02/2012
I201100067	05/29/2012
I201100775	06/05/2012
IA201000013	04/11/2012
IA201100002	09/26/2012
IA201100015	11/09/2011
IA201100016	09/26/2012

Enclosure #3

Suggestions for Improvement

To strengthen the U.S. Office of Personnel Management (OPM), Office of Inspector General (OIG), Office of Investigations (INV) investigative operations and internal safeguards and management procedures, we respectfully submit the following suggestions for improvement for your consideration. These suggestions have been discussed with you and members of your senior staff.

1. Review of OPM/OIG Investigative Manual.

In discussions with OPM/OIG management, the review team was informed that the Investigative Manual was in general need of updating and revision. It was communicated to the review team that relevant information developed during the review would be strongly considered for inclusion in the Manual. The following specific items are submitted as suggested additions or revisions for inclusion in the Investigative Manual at the earliest possible opportunity:

[REDACTED]

2. Review of OPM/OIG Electronic Case Management System.

In discussions with OPM/OIG management, the review team was informed that the electronic case management system was in transition from the former system, known as MAGNUM, to an upgraded system known as CLEAR. As with all systems in transition, there is a period in which policies and procedures may not fully reflect actual practice. The review team took note of the transition challenges and offers the following suggestions as adjustments to help policies and procedures better reflect current case management practices:

a. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Enclosure #4

Inspector General's Response

The U.S. Office of Personnel Management (OPM), Office of Inspector General (OIG) responded to the Letter of Suggested Improvements on August 30, 2013, via a letter to then-Deputy Inspector General Harold W. Geisel. The complete Inspector General's response is attached below.

Appendix

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

2. *Review of OPM/OIG Electronic Case Management System.*

In discussions with OPM/OIG management, the review team was informed that the electronic case management system was in transition from the former system, known as MAGNUM, to an upgraded system known as CLEAR. As with all systems in transition, there is a period in which policies and procedures may not fully reflect actual practice. The review team took note of the transition challenges and offers the following suggestions as adjustments to help policies and procedures better reflect current case management practices.

[REDACTED]

Appendix

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Appendix

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Appendix

[Redacted text block]

[Large redacted text block]

Appendix

[REDACTED]

[REDACTED]

Appendix



If you have any questions regarding our responses to the Suggestions for Improvement, please contact Deputy Assistant Inspector General for Investigations Kimberly Howell, at [REDACTED]
[REDACTED]

Enclosure #5

Exemplary/Best Practices

In recognition of the Office of Personnel Management (OPM), Office of Inspector General (OIG), Office of Investigations (INV) investigative operations and procedures, we submit the following areas for recognition of exemplary and best practices. These areas have been discussed with you and members of your senior staff.

1. Investigative Manual Chapter 12 [REDACTED]

a. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

2. Intra-OIG audit-investigative cooperation

- a. While not unique in the OIG community, the review team found the level of cooperation between the investigative and audit functions of OPM/OIG to be exemplary
- b. In addition to general cooperation, the high level of partnership-commitment between audit and investigations, in resolving specific allegations of major fraud, is also a noteworthy achievement

3. Standardized Program-related language in Reports of Investigation

- a. OPM/OIG has crafted specific, standardized explanatory language for each of the programs under its jurisdiction

- b. The inclusion of the relevant standardized language in Reports of Investigation has the effect of ensuring consistency and better understanding of important background and context information relating to complex program fraud cases**

- c. By including this language in Reports referred to the Department of Justice, or other appropriate authorities, OPM/OIG has developed a systematic way to communicate important information to prosecutors and adjudicative officials who may be unfamiliar with specific OPM programs**