



Office of Inspector General
U.S. Government Accountability Office

SEMIANNUAL REPORT TO CONGRESS

October 1, 2021, through March 31, 2022



April 2022
OIG-22-2SP



O I G

Office of Inspector General

United States Government Accountability Office

April 27, 2022

To: Gene L. Dodaro
Comptroller General of the United States

From: L. Nancy Birnbaum
Inspector General

A handwritten signature in black ink, appearing to be "L. Nancy Birnbaum".

Subject: Semiannual Report to Congress—October 1, 2021 through March 31, 2022

This report is being submitted in accordance with Section 5 of the Government Accountability Office (GAO) Act of 2008 and summarizes the activities of the Office of Inspector General (OIG) for the first six months of fiscal year 2022.

During this reporting period, we issued two audit reports and began work on one performance audit. We closed five investigations, including one proactive inquiry, and opened seven new investigations, including two proactive inquiries. We processed 63 hotline complaints, many of which were referred to other OIGs for action because the matters involved were within their jurisdictions. We remained active in the GAO and OIG communities by briefing new GAO employees on our audit and investigative missions and participating in Council of Inspectors General on Integrity and Efficiency committees and working groups, including those related to the Pandemic Response Accountability Committee. Details of these activities and other OIG accomplishments are provided in the accompanying report.

We post our audit, evaluation, and semiannual reports on [gao.gov](https://www.gao.gov) and [oversight.gov](https://www.oversight.gov), a publicly-accessible, text-searchable website containing the latest reports from contributing federal inspectors general. In addition, OIG reports are included in the listing of available updates on GAO's GovDelivery subscription page. We continue to look for innovative ways to enhance our oversight efforts and increase the transparency of our work.

I would like to thank the OIG staff for their continued dedication to our mission and their professionalism. Lastly, I thank you, all Executive Committee members, and GAO managers and staff for their continued cooperation and attention to the important work of our office.

Attachments

INTRODUCTION

The United States Government Accountability Office

The U.S. Government Accountability Office (GAO) is an independent agency in the legislative branch of the federal government. GAO exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and ensure the accountability of the federal government for the benefit of the American people. It supports congressional oversight by (1) auditing agency operations to determine whether federal funds are being spent efficiently and effectively; (2) investigating allegations of illegal and improper activities; (3) reporting on how well government programs and policies are meeting objectives; (4) performing policy analyses and outlining options for congressional consideration; and (5) issuing legal decisions and opinions, such as bid protest rulings and reports on agency rules.

The Office of Inspector General

Established as a statutory office by the Government Accountability Office Act of 2008, GAO's Office of Inspector General (OIG) independently conducts audits, evaluations, and other reviews of GAO programs and operations and makes recommendations to promote economy, efficiency, and effectiveness at GAO. The OIG also investigates allegations of fraud, waste, and abuse, including the possible violation of law or regulation involving GAO.

OIG STRATEGIC PUBLICATIONS

Strategic Plan

The OIG's [Strategic Plan for Fiscal Years 2021-2025](#) identifies the vision, goals, objectives, and strategies for its activities under the authority of the Government Accountability Office Act of 2008, to promote efficiency, effectiveness, and integrity in GAO programs and operations. As discussed in the plan, the OIG supports GAO and Congress by helping to protect GAO programs and operations from fraud, waste, and abuse. Independent and objective audits, evaluations, and investigations are the primary methods for assessing GAO programs and operations and identifying risks to GAO, enhancing its ability to protect and maximize its resources.

Biennial Work Plan

The OIG's biennial work plan provides a brief description of audits and other work planned for a two-year period, and an overview of its investigations program. In addition, the plan sets forth OIG's formal strategy for identifying priority issues and managing its workload and resources.

Top Management Challenges Facing GAO

Each year, the OIG is asked to comment on management's assessment and reporting of GAO's challenges for its annual Performance and Accountability Report. OIG work has resulted in improved reporting and transparency of GAO's management challenges and the efforts underway to mitigate the risk these challenges pose to GAO's ability to efficiently and effectively support Congress and the American people. Progress in addressing these challenges is

monitored through the agency’s annual performance and accountability process and OIG audits and evaluations.

For fiscal year 2021, GAO identified management challenges in (1) its continued response to the pandemic, (2) maintaining its operations, and (3) improving the efficiency of its engagements. The OIG identified infrastructure management as a challenge area, highlighting space, occupancy, and other issues that coincide with leasing arrangements particular to GAO at its Washington, DC, headquarters building. The OIG will continue to monitor these challenges particularly as the agency navigates its operating posture going forward.

Semiannual Reports to Congress

GAO OIG’s [Semiannual Reports to Congress](#) describe the OIG’s work on identifying problems, abuses, deficiencies, remedies, and investigative outcomes relating to the administration of GAO programs and operations that were disclosed during the reporting period. This semiannual report presents the results of OIG’s work for the period October 1, 2021, through March 31, 2022, including product and performance statistics for audits and investigations. It also provides an overview of each audit report issued, investigation closed, and, as appropriate, actions GAO took or initiated in response to those reports, as of the end of the reporting period.

ACTIVITIES OF THE OFFICE OF INSPECTOR GENERAL

GAO and OIG management work cooperatively in fulfilling the role of the OIG. There were no attempts by GAO to resist, object to, or interfere with OIG independence or delay OIG access to information during the reporting period.

During the period, the OIG issued two audit reports ([OIG-22-1](#) and [OIG-22-2](#)), containing a total of five recommendations. GAO agreed with the recommendations made in both audit reports. Formal responses from management, including its statement of actions in response to the recommendations, are due in May 2022. Table 1 provides fiscal year summary statistics for open OIG recommendations as of March 31, 2022.

Table 1: Fiscal Year Summary Statistics Related to Unimplemented Recommendations as of March 31, 2022

Fiscal Year	Number of Reports with Unimplemented Recommendations	Number of Unimplemented Recommendations
2021	1	1
2022	2	5
Total	3	6

Source: OIG assessment as of March 31, 2022. | OIG-22-2SP

Audits and Evaluations

All OIG audit and evaluation reports are fully disclosed to the public, with the exception of some reports on GAO’s implementation of the Federal Information Security Modernization Act of 2014 (FISMA). When necessary due to the sensitive nature of the issues identified, the OIG makes summary pages of certain FISMA reports publicly available.

OIG Audits and Status of Current Period Recommendations

The OIG issued two audit reports during the first six months of fiscal year 2022. During the reporting period, the OIG also began an audit that will assess the adequacy of internal control for flexibly-priced contracts. Table 2 describes the OIG audit reports issued during the reporting period, the audit objectives, and the number and status of recommendations made as of March 31, 2022. Attachment II also provides a brief report summary for each audit. OIG audit reports are available at gao.gov and oversight.gov.

Table 2: Status of Agency Actions on OIG Audit Reports Issued in Current Reporting Period (October 1, 2021, through March 31, 2022)

OIG Reports	Audit Objective	Number of Recommendations	Status of Recommendations
<i>Employee Debt: Opportunities Exist to Improve Timely Collection, OIG-22-1 (March 1, 2022)</i>	To assess the extent to which GAO has established effective internal control to collect debts owed by current and former employees in a timely manner, consistent with federal requirements and GAO policy.	3	Open
<i>Information Security: Privacy Program Improvements Could Enhance GAO Efforts to Protect Data and Systems, OIG-22-2 (March 31, 2022)</i>	To assess the effectiveness of GAO’s information security program for Fiscal Year 2021 in relation to selected Federal Information Security Modernization Act of 2014 (FISMA) requirements.	2	Open

Source: OIG assessment as of March 31, 2022. | OIG-22-2SP

Status of Open OIG Audit Recommendations

At the end of the prior reporting period (September 30, 2021), there was one open recommendation from one OIG audit report. Table 3 summarizes the status of the actions planned or taken in response to the open recommendation.

Table 3: Status of Agency Actions on Prior Period Open Recommendations as of March 31, 2022

OIG report	Recommendation	Status of actions planned or taken by GAO in response to the recommendation
<i>New Blue: Additional Efforts Could Improve Project Management Efficiency, OIG-21-1 (January 26, 2021)</i>	Review and update procedures to ensure that a) schedule practices address all key project components; project schedules are baselined and appropriate risk analyses are performed; b) cost estimates fully meet best practices for comprehensiveness, accuracy, and credibility; and c) all project requirements are tracked and managed.	Recommendation: Open GAO is finalizing updates to its standard operating procedures and developing training for its project managers, with full implementation expected by the end of fiscal year 2022.

Source: OIG assessment as of March 31, 2022. | OIG-22-2SP

Complaints and Investigations

The OIG hotline is the primary source of complaints or information for identifying suspected fraud and other problems, abuses, and deficiencies relating to the administration of GAO's programs and operations. As shown in Table 4, the OIG processed 63 substantive hotline complaints during this six-month reporting period.

Table 4: Summary of OIG Hotline Complaint Activity, October 1, 2021, through March 31, 2022

Hotline complaints open at the start of the reporting period	1
New hotline complaints received this reporting period ^a	62
Total hotline complaints	63
Complaints closed (referred to other GAO offices)	4
Complaints closed (referred to FraudNet ^a)	0
Complaints closed (referred to Office of Audit within GAO OIG)	3
Complaints closed (no jurisdiction and referred by the GAO OIG to appropriate agency OIG or other law enforcement offices ^b)	30
Complaints converted to investigations	4
Total hotline complaints open at the end of the reporting period	22

Source: OIG hotline summary statistics as of March 31, 2021. | OIG-22-2SP

^aFraudNet is a government-wide hotline operated by GAO staff on its Forensic Audits and Investigative Service team that receives complaints of fraud, waste, abuse, and mismanagement of federal funds.

^bFraudNet was provided a copy of each referral made to federal entities outside of GAO.

In addition to the 63 hotline complaints shown in Table 4, the OIG received 232 complaints that were closed due to insufficient information or no basis for opening an investigation. These complaints generally did not involve GAO programs and operations, and lacked either (1) sufficient merit to warrant direct OIG referral to another federal or state organization, or (2) actionable information.

As shown in Table 5, there were 17 open investigations during this reporting period. At the end of the reporting period, 12 investigations remained open.

Table 5: Summary of OIG Investigations, October 1, 2021, through March 31, 2022

Investigations open at the start of the reporting period ^a	10
New investigations initiated this reporting period ^b	7
Total investigations	17
Investigations closed this reporting period	5
Total investigations open at the end of the reporting period^c	12
Total investigative reports issued during the reporting period	1
Referred to Department of Justice	0
Referred to state/local prosecutor	0
Total referrals for criminal prosecution	0
Total indictments/information obtained during reporting period	0

Source: OIG investigative activity statistics as of March 31, 2022. | OIG-22-2SP

^aTwo of these investigations were self-initiated or proactive inquiries which focus on potential areas of vulnerability. Through the use of data analysis, the investigations unit looks for outliers or areas of concern that require targeted investigative methods, such as interviewing subjects and witnesses. As such, these two investigations were not included in this chart in the previous semiannual report. Four of these investigations resulted from proactive inquiries.

^bFour of these cases were converted from hotline complaints to investigations. Two additional cases are proactive inquiries that were initiated during the period, and one resulted from a proactive inquiry

^cThis number includes three proactive inquiries and three investigations that resulted from proactive inquiries.

Significant Investigations

Teleworking from Alternate Work Sites Outside the United States

In the previous period, the OIG identified a GAO employee teleworking from outside the United States in violation of GAO policy but with their supervisor’s verbal approval. The OIG issued a Report of Investigation (ROI) regarding the employee and the supervisor, a Senior Government Employee (SGE). During the current period, the SGE was counseled by management; however, GAO was unable to take further administrative action because the employee was unavailable, so the case remains open. On December 3, 2021, in response to a management memo issued by the OIG regarding a potential equipment vulnerability discovered during the investigation, GAO notified the OIG that it is working on a solution that will not negatively impact users. (G-21-0403-O)

Because of the issues identified in the above investigation, the OIG initiated a proactive inquiry to determine whether GAO employees were teleworking outside the United States during GAO’s maximum telework posture due to the pandemic. On August 19, 2021, the OIG issued a management memo to GAO highlighting a vulnerability because GAO’s policy prohibiting telework outside the United States did not apply to GAO contractors. On November 8, 2021, GAO notified the OIG that it was working to incorporate language in new contracts that would prevent services from being provided from outside the United States. In addition to the management memo, the proactive inquiry resulted in the initiation of two cases, and GAO

referred two additional cases to the OIG regarding international telework. Given GAO's monitoring of access to the GAO network from outside the United States and GAO's issuance of a notification to all employees on the prohibition regarding international telework, the proactive inquiry was closed on November 10, 2021. (G-21-0463-S)

In one case resulting from the proactive inquiry, the OIG issued an ROI on October 1, 2021. This ROI identified a GAO employee who teleworked from outside the United States and misled their management so that they could take sick leave when it was not warranted. The GAO employee received a seven-day suspension. This investigation was closed on March 28, 2022. (G-21-0507-O)

For one of the referrals from GAO, the OIG issued an ROI in the previous reporting period. The ROI included evidence that an SGE had teleworked from outside the United States while on vacation and failed to notify their supervisor of their change in telework location. The employee was counseled by GAO management, and the case was closed on November 3, 2021. (G-21-0473-O)

For the other referral from GAO, the OIG issued an ROI in the previous reporting period. The ROI included evidence that a GAO employee teleworked from outside the United States, submitted a false telework application, and was not forthcoming in their interview with the OIG. The ROI also included evidence that an SGE approved the employee's telework from outside the United States. During the current period, the employee received a letter of reprimand. The OIG has not received information regarding GAO management's action involving the SGE, and the case remains open. (G-21-0462-O)

Other Investigations

In addition to the three investigations identified as closed above, the OIG closed two investigations during the period, neither of which were previously disclosed publicly. A summary of those investigations is provided in Table 6.

Table 6: Closed Investigations Not Previously Disclosed Publicly, October 1, 2021, to March 31, 2022

Subject	Results	Completed
<p>1. Inappropriate Contractor Communication</p> <p>The OIG received an allegation that a GAO employee requested that a contractor perform work outside of the contract and SGEs were aware of the issue. (G-21-0133-O)</p>	<p>The OIG conducted an administrative investigation into the allegation and found evidence that the GAO employee made this request and that SGEs received an email regarding the request. However, the OIG found no evidence that the work was performed. The OIG notified upper-level GAO management so that they could take appropriate action.</p>	<p>October 14, 2021</p>
<p>2. Purchase Card Misuse</p> <p>The OIG's proactive inquiry led to the initiation of an investigation of purchase card misuse. (G-20-0197-P)</p>	<p>After obtaining further information, the OIG found the purchase card transactions at issue appeared to have legitimate business purposes.</p>	<p>October 14, 2021</p>

Source: OIG investigative activity statistics as of March 31, 2022. | OIG 22-2SP

Ongoing Matters Referred for Prosecution

During the period, the OIG continued to lead a task force involving a phishing attempt to divert the paychecks of several senior GAO, executive branch, and state agency officials to fraudulent bank accounts. The task force includes the OIGs for the Federal Housing Finance Agency, Department of Energy, National Archives and Records Administration, and National Endowment for the Humanities. Other task force members include the Secret Service, the Federal Bureau of Investigation, and Maryland State Police. The task force is working with the District of Columbia U.S. Attorney's Office to develop the case for prosecution. (G-19-0077-O)

OTHER ACTIVITIES

Activities within GAO

OIG leadership continued its discussion of the duties, responsibilities, and authorities of the OIG with participants in GAO's new employee orientation program. In addition, OIG leadership attended weekly senior staff meetings and met periodically with the Audit Advisory Committee and staff of the independent public accounting firm conducting GAO's annual financial statement audit.

Activities within the Inspector General Community

The OIG participated with and responded to requests for information from the Pandemic Response Accountability Committee (PRAC), established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act.¹ The OIG also took part in monthly meetings of the Coronavirus Disease 2019 (COVID-19) Accountability Work Group, organized by the National Association of State Auditors, Comptrollers, and Treasurers, along with PRAC members and other federal IGs.

The OIG continued to participate in the Council of Inspectors General on Integrity and Efficiency (CIGIE), a council of federal inspectors general that promotes collaboration on issues of economy, efficiency, and effectiveness that transcend individual agencies. OIG leadership regularly participated in monthly CIGIE meetings and periodic meetings with other OIGs designed to address issues common to smaller OIGs. The Assistant Inspector General for Audits participated in periodic CIGIE Audit Committee meetings. The Assistant Inspector General for Investigations (AIGI) participated in monthly CIGIE Investigations Committee meetings, quarterly AIGI meetings, and various investigative working groups. The Counsel to the Inspector General participated in monthly CIGIE Legislation Committee meetings and Council of Counsels to Inspectors General (CCIG) meetings.

Freedom of Information

During the current reporting period, the OIG processed one request for information under GAO's access regulation, 4 C.F.R. Part 81, and issued one administrative subpoena.

¹ Public Law 116-136.

Whistleblower Retaliation

The GAO OIG has no statutory authority to investigate allegations of whistleblower retaliation. Although GAO is not subject to the Whistleblower Protection Act or the Whistleblower Protection Enhancement Act, GAO personnel management system controls are intended to protect GAO employees from prohibited personnel practices.

Employee Debt: Opportunities Exist to Improve Timely Collection; OIG-22-1

The OIG assessed the extent to which GAO has established effective internal controls to collect debts owed to the agency by current and former employees in a timely manner, consistent with federal requirements and GAO policy.

While GAO has established debt collection policies consistent with federal requirements, the agency's Human Capital Office (HCO) can improve timely collection of GAO employee debt. The OIG found that HCO missed opportunities to collect debts from separating employees through internal offset, approved repayment agreements without verifying financial ability to pay, and did not always meet mandated timeframes for referring delinquent debts for collections.

The OIG made three recommendations to address the issues identified. GAO agreed with the recommendations and outlined planned actions to address them.

Information Security: Privacy Program Improvements Could Enhance GAO Efforts to Protect Data and Systems; OIG-22-2

The OIG assessed GAO's information systems against selected FY 2021 Inspector General FISMA reporting metrics and found opportunities to improve certain aspects of data protection and privacy management.

While GAO has taken steps to protect sensitive information and prevent data exfiltration, the OIG found that GAO's Incident Response plan does not contain all the recommended elements for addressing incidents involving Personally Identifiable Information (PII). Specifically, the current GAO incident response procedures do not include assessing the potential damage to organizations and individuals resulting from the loss of PII. In addition, although all GAO employees and contractors receive annual privacy training as part of a mandatory course on security and privacy awareness, the OIG found that training for personnel with role-specific responsibility for PII has not been consistently implemented.

The OIG made two recommendations to address the issues identified. GAO agreed with the recommendations and outlined planned actions to address them.

OIG Mission

Our mission is to protect GAO's integrity through audits, investigations, and other work focused on promoting the economy, efficiency, and effectiveness in GAO programs and operations, and to keep the Comptroller General and Congress informed of fraud and other serious problems relating to the administration of GAO programs and operations.

Reporting Fraud, Waste, and Abuse in GAO's Internal Operations

To report fraud and other serious problems, abuses, and deficiencies relating to GAO programs and operations, you can do one of the following (anonymously, if you choose):

- Call toll-free (866) 680-7963 to speak with a hotline specialist, available 24 hours a day, 7 days a week.
- Visit [GAO OIG Listening Line](#)

Obtaining Copies of OIG Reports and Testimonies

To obtain copies of OIG reports and testimonies, go to GAO's website: [Inspector General | U.S. GAO](#) or [Oversight.gov | All Federal Inspector General Reports In One Place](#).

