

Office of Inspector General

Railroad Retirement Board



**Semiannual Report
to the Congress**

October 1, 2017 to March 31, 2018



UNITED STATES RAILROAD RETIREMENT BOARD

OFFICE OF INSPECTOR GENERAL

April 30, 2018

Office of the Chairman
Railroad Retirement Board
844 North Rush Street
Chicago, Illinois 60611-2092

Dear Office of the Chairman,

I am pleased to submit our *Semiannual Report to the Congress*. This report provides a descriptive summary of our activities and accomplishments during the period of October 1, 2017 through March 31, 2018. This report is submitted in accordance with Section 5 of the Inspector General Act of 1978, as amended. The Act requires that you transmit this report, along with any comments you may wish to make, to the appropriate Congressional committees and subcommittees within 30 days.

During this reporting period, the Office of Audit:

- conducted and published its mandated audit of the RRB's compliance with the Digital Accountability and Transparency Act of 2014;
- completed its annual mandated audit of the RRB's comparative financial statements for the fiscal years ended September 30, 2016 and 2017 along with the related reports on internal control and compliance;
- prepared and issued the Inspector General's statement of *Management and Performance Challenges Facing the Railroad Retirement Board*; and
- published its "Letter to Management" detailing matters related to internal control identified during the financial statement audit.

Our criminal investigators achieved 7 arrests, 15 indictments and informations, 27 criminal convictions, 12 civil judgments, and more than \$147.4 million in financial accomplishments resulting from OI's investigative work, including joint investigations.

We appreciate the ongoing assistance extended to our staff during the performance of their duties.

Sincerely,

Original Signed

Martin J. Dickman
Inspector General

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INTRODUCTION

Railroad Retirement Board

The Railroad Retirement Board (RRB) is an independent agency in the executive branch of the Federal Government. The RRB administers comprehensive disability, retirement-survivor, and unemployment-sickness insurance benefit programs for the nation's railroad workers and their families. These programs are codified under the Railroad Retirement Act (RRA) and the Railroad Unemployment Insurance Act, respectively. During fiscal year 2017, railroad retirement and survivor benefit payments totaled \$12.6 billion, net of recoveries and offsetting collections. Railroad unemployment insurance (UI) and sickness insurance (SI) benefit payments totaled \$104.6 million, net of recoveries and offsetting collections.

Additionally, the RRB has administrative responsibilities for certain benefit payments under the Social Security Act, including the administration of Medicare benefits for qualifying railroad workers and their dependents. Pursuant to statutory authority, the RRB, in consultation with the Centers for Medicare and Medicaid Services (CMS), awards and monitors a single nationwide Railroad Medicare Part B Services contract. The RRB's Medicare Contractor, Palmetto, processed more than 8.6 million claims and paid almost \$850 million in Medicare Part B benefits for fiscal year 2017.

Board Members

The RRB's Board consists of three members who are appointed, with the advice and consent of the Senate, by the President of the United States. One member is appointed upon the recommendation of railroad employers; another member is appointed upon the recommendation of representatives of railroad employees; and the third, who is the Chairman, shall be appointed without recommendation by either employers or employees and shall not be in the employment of or be pecuniarily or otherwise interested in any employer or organization of employees. Board Members' terms are five years in length and expire in staggered years. The Chairman position has been vacant since September 2015.

Office of Inspector General

The Railroad Retirement Solvency Act of 1983 amended the RRA to provide for an Office of Inspector General (OIG) for the RRB. The 1988 amendments to the Inspector General Act added the RRB to the list of covered agencies. The RRB's Inspector General is a Presidential Appointee, with Senate confirmation, who serves as an independent and objective voice to the Board Members and the Congress. It is the Inspector General's responsibility to promote economy, efficiency, and effectiveness in the RRB's programs and operations. To that end, the OIG conducts audits/evaluations, management reviews, and inspections of the RRB's programs and operations. As a product of its efforts, the OIG offers recommendations for agency improvement to RRB management. The OIG also identifies and investigates cases of waste, fraud, and abuse in the RRB's programs and operations. The OIG works closely with federal prosecutors and makes the appropriate referrals for criminal prosecution, civil prosecution, monetary recovery, or administrative action.

The OIG has three operational components: the immediate Office of the Inspector General, the Office of Audit, and the Office of Investigations. The OIG conducts operations from several locations including the RRB headquarters in Illinois and investigative field offices in California, Florida, Pennsylvania, Texas, and Virginia. These field offices provide an increased investigative presence, which aids in the effective and efficient coordination of joint investigations with other Inspector General offices and law enforcement agencies.

EXECUTIVE SUMMARY

Office of Audit

The Office of Audit (OA) conducts financial, performance, and compliance audits and evaluations/inspections of the RRB's programs and operations. In addition to focusing on mandated audit requirements, OA strategically identifies areas affecting program performance, the efficiency and effectiveness of agency operations, and areas of potential fraud, waste, and abuse. OA's audit planning process takes into account mandated audits, Congressional and Presidential concerns, programmatic risk, and resource availability. During this reporting period, OA:

- published its mandated audit regarding the RRB's compliance with the Digital Accountability and Transparency Act of 2014;
- completed its annual mandated audit of the RRB's comparative financial statements for the fiscal years ended September 30, 2016 and 2017 along with the related reports on internal control and compliance;
- prepared and issued the Inspector General's statement of *Management and Performance Challenges Facing the Railroad Retirement Board*; and

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- published its “Letter to Management” detailing matters related to internal control identified during the financial statement audit.

OA’s activities, during this reporting period, are discussed in further detail on pages 4 through 12 of this report. All inspections, evaluations, or audits conducted during this semiannual reporting period were disclosed to the public on our website at <https://www.rrb.gov/index.php/OurAgency/InspectorGeneral> and on Oversight.gov. In general, reports that transmit sensitive information are not released in full but abstracts are released publicly on our website and on Oversight.gov.

Office of Investigations

The Office of Investigations (OI) focuses its efforts on identifying, investigating, and presenting RRB benefit fraud cases for prosecution. OI conducts investigations throughout the United States relating to:

- the fraudulent receipt of RRB benefit payments (disability, UI, SI, or retirement-survivor benefits);
- Railroad Medicare fraud;
- false reporting by railroad employers; and
- criminal violations and misconduct by RRB personnel.

OI Special Agents refer potential cases to federal, state, or local prosecutors through the use of specialized prosecution reports (investigative reports). These reports are utilized to explain the alleged offenses and present the evidence developed to substantiate these allegations. During this semiannual reporting period, OI issued a total of 34 investigative reports. The following table indicates the distribution of these reports and the number of associated individuals.

Investigative Reports Issued From October 1, 2017 – March 31, 2018		
No. of Investigative Reports Issued	Prosecutorial Office	No. of Individuals Referred to Prosecutorial Office
19	Federal, Criminal	19
11	Federal, Civil	11
4	State/Local (Criminal Referral)	4

Prosecution referrals may result in criminal convictions, civil judgments and penalties, and/or a recommendation for administrative recovery.

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From October 1, 2017 through March 31, 2018, OI achieved:

- 7 arrests;
- 15 indictments and informations;
- 27 convictions;
- 12 civil judgments; and
- more than \$147.4 million in financial accomplishments.¹

Defendants, in the aggregate, were sentenced to more than 62 years of prison, 55 years of probation, and 1,050 hours of community service. Additional details regarding OI activities are discussed on pages 13 through 21.

OCTOBER 1, 2017 – MARCH 31, 2018 ACCOMPLISHMENTS

Office of Audit

Congress established the OIG to provide independent oversight of the RRB. Within the OIG, OA's mission is to promote economy, efficiency, and effectiveness in the administration of the RRB's programs and operations; and to detect and prevent fraud, waste, and abuse. Through the Inspector General, OA keeps Board Members and the Congress informed of current and potential problems and deficiencies in the RRB's operations. OA also tracks the agency's progress towards corrective action.

Brief summaries of all audits completed during this reporting period follow.

Railroad Retirement Board's Initial DATA Act Submission, While Timely, Was Not Complete or Accurate (Report No. 18-01)

Background

The OIG conducted an audit of RRB compliance with the Digital Accountability and Transparency Act of 2014 (DATA Act), as mandated.

Key Findings

Our audit determined that RRB made its initial certified DATA Act submission by the required due date and implemented the required data elements. However, the data files were not complete or accurate and did not agree to RRB's source systems. The RRB's submission did not include two months of benefit payments, resulting in an

¹ The total amount of financial accomplishments reflect fraud amounts related to programs administered exclusively by the RRB and fraud amounts from other federal programs such as Medicare or Social Security that were included in investigative dispositions.

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underreporting of approximately \$2 billion. Also, benefit payment amounts that were reported did not agree to RRB source systems.

We identified the following control issues over RRB's DATA Act submission process.

- The Senior Accountable Official (SAO) was not adequately involved in the designation of the DATA Act certifiers, whom also did not attend training on the requirements of the certifier.
- Neither the SAO, nor her designees, developed adequate internal controls to confirm the reliability and validity of RRB's summary level and award level data reported for publication on USASpending.gov.
- RRB had few, if any, procedures for the validation and the reconciliation of the data or the files for the DATA Act submission. Bureau of Fiscal Operations (BFO) staff, and their contractor, CGI Federal Incorporated, relied extensively on automated validation checks in the DATA Act Broker, and did not adequately reconcile or validate RRB's DATA Act files. In addition, they failed to perform basic reasonableness testing and did not keep any copies of the information that was submitted or certified, which resulted in files not including information for all of the correct time periods, and other inaccuracies, which they seemed to be unaware of at the time of our audit.
- BFO staff had no procedures in place to work with procurement staff to ensure that the procurement file was complete or accurate prior to DATA Act certification.
- BFO staff had no procedures in place to work with staff from the RRB's Bureau of the Actuary and Research (BOA) to ensure that the benefit payment files were complete or accurate prior to DATA Act certification.
- Controls over RRB's source files and systems for benefit payment data were insufficient and these files were submitted by BOA approximately 2 months late. This resulted in incomplete benefit payment files.

Key Recommendations

To address identified weaknesses, we made seven recommendations to ensure that RRB's future DATA Act submissions are accurate and complete, which include:

- strengthening procedures for source data;
- establishing comprehensive controls and procedures for the submission and certification of DATA Act files;
- providing training to staff involved in the DATA Act process; and
- ensuring that the SAO provides adequate written assurance that RRB's internal controls support the reliability and validity of the RRB's DATA Act submission.

Management's Response and Our Comments

RRB management disagreed with the report's characterization of their overreliance on its contractor for DATA Act oversight and the development of policies and procedures, but concurred with the seven recommendations made in this report. Their response described actions they have taken subsequent to their initial DATA Act submission and as a result of deficiencies noted during our audit. In their response, they stated that they believe that their actions fully address our recommendations and requested closure of each of the recommendations made.

OIG reiterates that RRB's inadequate oversight was demonstrated by the fact that CGI Federal Incorporated did not provide a complete or accurate file C for the RRB's initial DATA Act submission. If RRB had performed minimal oversight or review of this file, such as performing reasonableness tests of the amounts included in the file, they would have noted that the file did not include 2 of 3 months of benefit payments, totaling over \$2 billion.

Further, as our audit was conducted, we asked RRB to provide its DATA Act policies and procedures. We were provided an overview of the file generation process and instructions for how to submit the files in the DATA Act Broker. However, we were not provided any procedures to ensure that RRB's DATA Act submission was complete, accurate, and timely. At that time, we were told procedures and controls were being developed. In August 2017, we were provided a process flow that: defined DATA Act related tasks to be completed, such as reconciliations and validations; assigned roles and responsibilities to complete these tasks; and established timelines for DATA Act reporting activities.

Given that the DATA Act mandated reporting by May 2017, development of policies and procedures prior to RRB's initial DATA Act submission should have assured better control and improved completeness and accuracy.

Report on the Railroad Retirement Board's Financial Statements (Report No. 18-02) and Fiscal Year 2017 Financial Statement Audit Letter to Management (Report No. 18-04)

During this reporting period, OA completed its annual mandated audit of the RRB's comparative financial statements for:

- the fiscal years ended September 30, 2017 and 2016;
- the balance sheet and related statements of net cost, changes in net position, and budgetary resources for the years then ended;
- the statement of social insurance as of October 1, 2016, October 1, 2015, January 1, 2015, January 1, 2014, and January 1, 2013; and

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- the statement of changes in social insurance amounts for the period ended September 30, 2016; and the related notes to the financial statements.

For the reasons explained below, OA was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion regarding the financial position of the RRB and accordingly, did not express an opinion (disclaimed opinion) regarding the RRB's financial statements.

National Railroad Retirement Investment Trust Assets and Disclaimed Opinion

The National Railroad Retirement Investment Trust (NRRIT) is a tax-exempt entity independent of the federal government that was established by the Railroad Retirement and Survivors' Improvement Act of 2001 (RRSIA) to manage and invest railroad retirement assets.² The net assets of the NRRIT represent approximately \$26.5 billion and \$25.1 billion or approximately 80 percent of the total assets reported for the RRB for fiscal years 2017 and 2016, respectively.

OIG auditors continue to render disclaimer opinions on the RRB's financial statements since fiscal year 2013 because of RRB management's unwillingness to provide OIG auditors with cooperation and communication from NRRIT auditors. This lack of cooperation and communication prevents OIG auditors from obtaining sufficient appropriate audit evidence regarding the RRB's financial statements. Although American Institute of Certified Public Accountants (AICPA) Group 600 guidance requires that the group auditor (OIG) communicate with and receive cooperation from the component auditor (NRRIT's auditor), RRB management continues to prevent this from occurring, citing section 15 (j) of the RRA as the basis for denial.

Material Weaknesses

Financial Reporting

- Ineffective Controls

The material weakness for financial reporting that was originally reported in fiscal year 2014 continues to exist and OIG auditors found numerous transactions which totaled approximately \$14.2 billion during fiscal year 2016, which did not have adequate supporting documentation in the RRB's official records when the transactions were recorded and approved in the RRB's financial reporting system. Although management cited that corrective actions had been made, we found that additional internal control improvements are needed because we identified approximately \$503.2 million of recorded and approved financial transactions during fiscal year 2017 that lacked adequate supporting documentation.

² NRRIT is discussed further on pages 24, 32, and 33.

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Management's Response and Our Comments

BFO stated that the lack of supporting documentation cited in our finding was stored in hard copy and readily available for review. BFO indicates that our conclusion, that the documentation was missing, is patently false and purposefully overstates the magnitude of the discrepancy. OIG disagrees. RRB's Accounting Procedures Guide requires BFO staff to provide sufficient support *as attachments* [emphasis added] in the agency's financial reporting system to validate the recording of each transaction. The attachments are the basis for review and approval. The attachments for each cited transaction lacked sufficient supporting documentation in the agency's financial reporting system and as such, it is described as missing. Our determination was based on the requirements outlined in the RRB's Accounting Procedures Guide, with which they did not comply.

Control Environment

This material weakness was initially reported in fiscal year 2016.³ We determined that RRB management had not taken corrective actions to address high level, monetarily significant matters that were not in accordance with authoritative guidance, previous agreements, and laws and regulations regarding matters that could have a detrimental effect on the reliability of financial reporting at the RRB and at governmentwide levels. A significant example that continues to be an audit concern is RRB management's determination that the NRRIT should be a disclosure entity that would result in removal of its net assets of approximately \$26.5 billion, as of fiscal year 2017, from RRB and governmentwide financial statements. RRB management also determined that the RRB has no ownership interest in the NRRIT. These determinations were made in regard to new Federal Accounting Standards Advisory Board's Statement of Federal Financial Accounting Standards 47 (SFFAS 47), *Reporting Entity*, which becomes effective in fiscal year 2018. RRB's General Counsel issued a legal opinion stating that the NRRIT meets the characteristics of a disclosure entity more than a consolidating entity.⁴ OIG auditors determined that the NRRIT should be classified as a consolidating entity, which would result in continuance of its net assets being reported in the RRB's financial statements.

During a teleconference on December 1, 2017, with management from the Government Accountability Office (GAO), the Office of Management and Budget (OMB), and the U.S. Department of the Treasury (Treasury), OMB's Acting Controller informed OIG auditors and RRB management that NRRIT net assets will continue to be reported as assets of the federal government at the governmentwide level.

³ RRB OIG, Audit Report No. 17-01.

⁴ Railroad Retirement Board (RRB) General Counsel, *National Railroad Retirement Investment Trust Assets Statement of Federal Financial Accounting Standards 47, Reporting Entity*, Legal Opinion 2016-53, (Chicago, IL: October 31, 2016).

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Management's Response and Our Comments

RRB states that OMB, Treasury, and GAO believe NRRIT's agreement to provide GAO audit personnel access to NRRIT's auditors satisfactorily resolves the disclaimer of opinion on the government's financial statements stemming from the OIG's disclaimer of opinion on the RRB's financial statement. As such, RRB concludes that since the RRB's financial statements consolidate into the government's financial statement, the RRB expects this arrangement adequately addresses the OIG's concern. BFO's conclusion is incorrect. The agreement reached by OMB, Treasury, and GAO is applicable to audit assurance at the governmentwide level only. During the teleconference, it was reiterated that the reporting structure as required by the memorandum of understanding between the NRRIT, RRB, Treasury, and OMB has not changed and that this agreement has no impact on the OIG's audit. Further, that GAO requiring NRRIT auditor access supports our long held opinion that in order to opine on the RRB's financial statements, we too would require access to NRRIT auditors. NRRIT assets, as part of RRB's financial statements, are substantially more material than at the governmentwide level; further supporting our conclusion that under AICPA Group 600 guidance we must communicate and receive cooperation from the component auditor (NRRIT's auditor). This agreement addresses governmentwide audit assurances but does not address those at the RRB financial statement level. Regardless, the aforementioned agreement has not been formally agreed to and it is not expected to take place until the fiscal year 2018 audit is conducted. As such, this agreement has no bearing on our current audit opinion. In addition, on December 27, 2017, OIG auditors were informed that the SFFAS 47 Steering Committee determined that the NRRIT will be classified as a consolidating entity.

Additional Material Weaknesses

The material weakness for ineffective controls also includes a subcategory pertaining to communication with the NRRIT's auditor. See the narrative provided for "National Railroad Retirement Investment Trust Assets and Disclaimed Opinion" for an understanding of this material weakness that impacts approximately \$26.5 billion or 80 percent of the total assets reported for the RRB for fiscal year 2017.

Matters Involving Internal Control

Recommendations for improvement were made for the following internal control deficiencies identified during our audit. We found that BFO did not:

- adhere to segregation of duties internal controls and weakened certain BFO review and approval controls that impacted transactions of \$8.1 billion and \$1.1 billion, respectively;
- update the RRB's *Cost Allocation Plan Medicare Parts B, C, and D Administrative Costs* for fiscal year 2017, thereby OIG auditors did not have any basis with which to fully assess the accuracy of the \$28.6 million reimbursement that the RRB received from CMS for fiscal year 2017;

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- detect financial statement recording errors due to either the lack of calculations or erroneous calculations made by BFO;
- always perform certain reconciliations of intragovernmental accounts and transfer of funds with other federal agencies effectively or on a timely basis;
- record a year end adjustment for appropriations (until OIG notified them of this error) resulting in year-end budgetary financial statements reflected that RRB expenditures exceeded appropriations. Although these additional appropriations of approximately \$6 million had been apportioned, BFO had not recorded these additional funds;
- use the United States Standard General Ledger (USSGL) as a guide when recording some obligations that resulted in instances where the benefit expense account was recorded without the corresponding budgetary entries, which is contrary to USSGL guidance. The effect of these transactions was an understatement of benefit expense and discrepancies between the proprietary and budgetary components of new obligations; and
- always have transactions reviewed by designated supervisory accountants, but instead, some transactions were reviewed by BFO staff who volunteer to review the transactions.

In addition, we found that BFO discussed matters with Office of General Counsel (OGC) staff that might have influenced not recording a liability for the RRB. OGC provides written descriptions and evaluations of litigation, claims, and assessments involving RRB in periodic legal representation letters. Based on these letters as provided by OGC, BFO determines whether the RRB has a potential liability, referred to as a contingent liability. OGC revised its determinations after BFO staff advised that the change should be made. The General Counsel and the Deputy Chief Financial Officer state that BFO did not contact OGC for the purpose of influencing its determination and that such influence did not occur. While OIG auditors will not supplant management's assessment regarding the likelihood of loss, the circumstances around this change provide significant concern regarding our ability to rely on OGC's legal representation letters now and in the future. While this particular incident pertained to a \$75 million contingent liability, OIG auditors bring this matter to management's attention as reliance on legal representation letters is imperative to our ability to conduct the financial statement audit.

The OIG made nine recommendations to improve internal controls.

Response

The RRB's response and their progress towards compliance, when applicable, are discussed in *Appendix D – Significant Matters*.

Management Information Report – Management and Performance Challenges Facing the Railroad Retirement Board (Report No. 18-03)

The OIG annually identifies management and performance challenges facing the RRB and reports on them in the RRB’s *Performance and Accountability Report*. This statement is prepared pursuant to the Reports Consolidation Act of 2000 and the requirements of OMB Circular A-136. This Circular requires Inspector General offices to identify the most serious management challenges facing their parent agency and to briefly assess the agency’s progress in addressing those challenges.

The OIG’s identification of challenges facing RRB management is based on recent audits, evaluations, investigations, and current issues of concern to the Inspector General. During fiscal year 2017, the OIG identified the following seven major management challenges facing the RRB.

Most Serious Management and Performance Challenges Facing the Railroad Retirement Board as of October 1, 2017 (as identified by the Inspector General)	
Challenge 1	Program Integrity to Strengthen Disability Programs
Challenge 2	Information Technology Security and System Modernization
Challenge 3	Management of Railroad Medicare
Challenge 4	RRB’s Continued Noncompliance with the Improper Payments Elimination and Recovery Act and Assessing Payment Accuracy
Challenge 5	Human Capital Management
Challenge 6	Material Weaknesses Related to Financial Statement Reporting and the Control Environment
Challenge 7	Lack of RRB Oversight of the NRRIT

Additional details regarding a majority of the identified management challenges are discussed in *Appendix D – Significant Matters*.

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Management Decisions and Implementation

As part of its oversight activities, the OIG tracks the agency's implementation of audit recommendations. The reporting of management decisions and corrective actions for all audit recommendations is required by the OMB Circular No. A-50 (Revised) and the Inspector General Act.

Management Decisions	
Requiring Management Decision on October 1, 2017	0
Pending Management Decision for New Recommendations	0
Management Decision on Previous Recommendations	0
Recommendations Pending Management Decision on March 31, 2018	0

Corrective Action	
Recommendations Requiring Action on October 1, 2017	326
Recommendations Issued During Reporting Period	16
Corrective Actions Completed During Reporting Period	17
Recommendations Rejected During Reporting Period	2
Final Actions Pending on March 31, 2018	323

The Inspector General Empowerment Act of 2016 requires additional details pertaining to outstanding and unimplemented recommendations. This information, including the associated potential cost savings, regarding the 323 open recommendations is incorporated into this report by reference and may be accessed in the Semiannual Report section of our website.⁵ This report is titled *Open or Unimplemented Audit Recommendations and Cost Savings as of March 31, 2018*.

⁵ <https://www.rrb.gov/index.php/OurAgency/InspectorGeneral>

Office of Investigations

Ol's primary objective is to identify, investigate, and refer for prosecution or monetary recovery action cases of waste, fraud, or abuse in the RRB's programs. Ol also seeks to prevent and deter program fraud by reporting systemic weaknesses identified through investigative work. In order to maximize the impact of its resources, Ol pursues cooperative investigative activities in coordination with other Inspectors General such as the Office of Inspector General for the Department of Health and Human Services, the Office of Inspector General for the Social Security Administration, and other law enforcement agencies, such as the Federal Bureau of Investigation and the U.S. Secret Service.

Current Caseload

During this reporting period, Ol opened 66 new investigative cases.

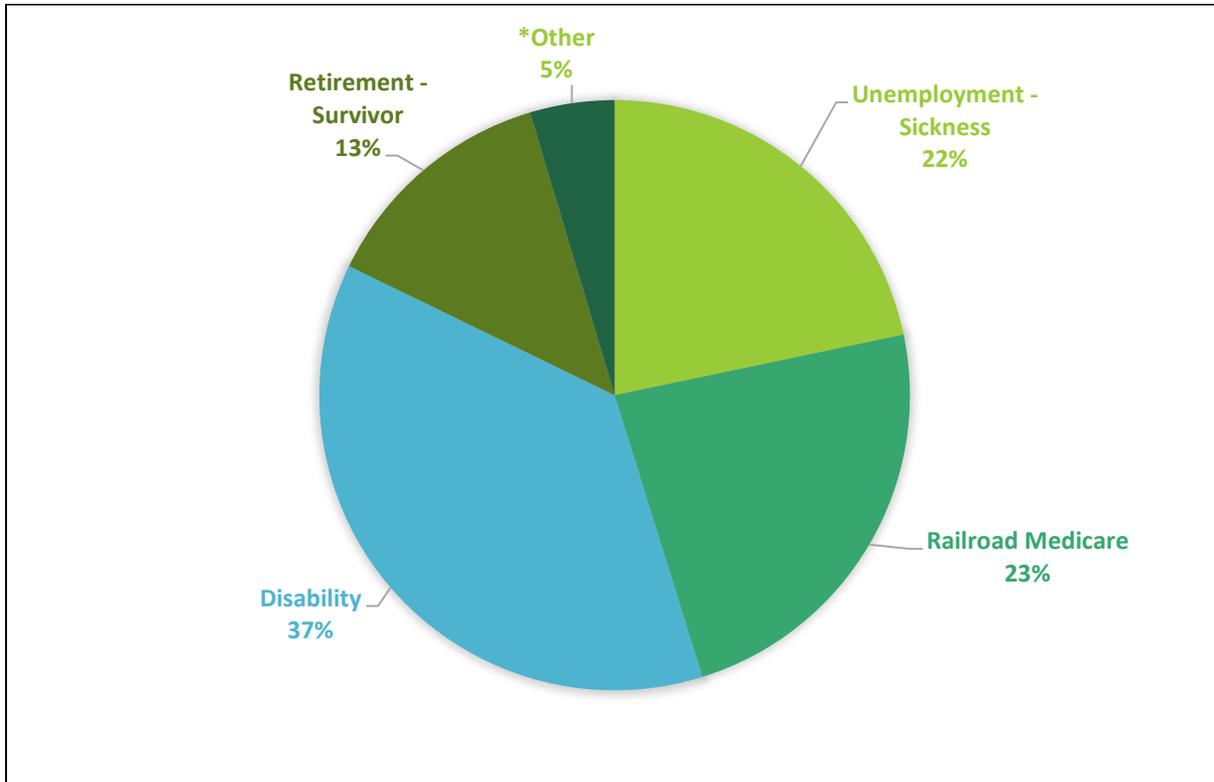
Investigative Caseload Data	
Investigative Cases Open as of October 1, 2017 ⁶	288
Investigative Cases Closed During Reporting Period	73
Investigative Cases Opened During Reporting Period	66
Investigative Cases Open as of March 31, 2018	281

As of March 31, 2018, Ol's investigative caseload totaled 281 matters which represents more than \$552 million in potential fraud losses.⁷ The chart on the following page reflects the distribution of Ol cases open at the end of the reporting period.

⁶ An investigative case may include multiple subjects.

⁷ This reflects potential fraud amounts related to programs administered exclusively by the RRB and potential fraud amounts from other federal programs such as Medicare or Social Security which have been identified during Ol's joint investigative work.

Investigative Caseload by Case Type



*Other case type is an amalgam of various types of cases involving matters such as misconduct by RRB employees, threats against agency employees, false reporting by railroad employers, and others.

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Investigative Accomplishments

Action	October 1, 2017 – March 31, 2018
Indictments/Informations Issued During Reporting Period (Original Prosecutive Referral Made Prior to October 1, 2017)	12
Indictments/Informations Issued During Reporting Period (Original Prosecutive Referral Made After October 1, 2017)	3
Subpoenas Issued	70
Arrests	7
Convictions	27
Civil Complaints	5
Civil Judgments	12
Restitution and Fines ⁸	\$124 million
Civil Damages and Penalties ⁹	\$22 million
Potential Economic Loss Prevented	\$43,101
Prison	62 Years
Probation	55 Years
Community Service	1050 Hours

Investigative Case Summaries

Brief descriptions of representative matters referred to prosecutorial authorities and the resulting convictions are summarized on pages 16 through 20. Federal indictments, informations, and ongoing investigations are not included. OI does not have any substantiated senior government employee misconduct cases or incidents of whistleblower retaliation to report.

⁸ The dollar amounts in this table reflect fraud amounts related to programs administered exclusively by the RRB and fraud amounts from other federal programs such as Medicare or Social Security which were included in the disposition resulting from the investigation.

⁹ See above footnote.

Disability Investigations

OI conducts fraud investigations relating to the RRB's disability program. Railroad workers who are awarded an RRB disability annuity are subject to work restrictions and earnings limitations. Disability benefit fraud may involve applicant fraud and sophisticated schemes to hide disqualifying work activities/earnings from the RRB.

During this reporting period, OI obtained four convictions and one civil judgment for disability fraud cases. Defendants in these cases received, in the aggregate, sentences totaling more than 5 years of probation, 400 hours of community service, and were ordered to pay more than \$1.6 million in restitution, fines, and civil damages/penalties.

Descriptions of representative disability fraud cases completed during this reporting period follow.

Disability Annuitant Convicted for Conversion of Government Funds

OI investigated a disability annuitant who failed to report income and excess earnings to the RRB.

This case was referred to the United States Attorney's Office for the Eastern District of Pennsylvania which filed an information against the annuitant. The annuitant subsequently pled guilty to Conversion of Government Funds and was sentenced to 1 day of prison, 6 months of home confinement, 2 years of probation, 200 hours of community service, and ordered to repay more than \$236,000 in restitution and fines.

Disability Annuitant Criminally Convicted

OI investigated a self-employed disability annuitant who concealed his earnings from the RRB.

This case was referred to the United States Attorney's Office for the Western District of Virginia which filed an information against the annuitant. The annuitant subsequently pled guilty to Theft of Government Money and was sentenced to 6 months of home confinement, 2 years of probation, 200 hours of community service, and ordered to repay more than \$454,000 in restitution and fines including the recovery of Railroad Medicare payments.

Disability Annuitant Fails to Report Work and Earnings to the RRB

OI investigated a disability annuitant who concealed his earnings from the RRB.

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This case was referred to the United States Attorney's Office for the Eastern District of Pennsylvania. The annuitant entered into a settlement agreement with the United States Attorney's Office for more than \$300,000 to settle charges under the False Claims Act.

Unemployment-Sickness Insurance Investigations

UI and SI benefit fraud typically involves individuals claiming and receiving benefits while working or collecting state administered unemployment benefits. OI receives the majority of these case referrals from the RRB's Sickness and Unemployment Benefits Division.

During this reporting period, OI obtained seven civil judgments for UI-SI fraud cases. Defendants in these cases were ordered to pay more than \$163,000 in civil damages/penalties.

Descriptions of representative UI-SI cases completed during this reporting period follow.

UI Claimant Fails to Report Work and Earnings to the RRB

OI investigated a UI claimant based upon a referral from the RRB. OI's investigation determined that during the period of October 2014 through February 2016, the claimant applied for UI benefits on the same days he was working and being paid by a private employer. The claimant submitted a total of 31 false claims and received more than \$19,000 in fraudulent UI benefits.

This case was referred to the United States Attorney's Office for the Eastern District of Arkansas. The RRB claimant signed a consent judgement agreeing to repay the full amount to settle charges under the False Claims Act.

UI Claimant Agrees to Repay More Than \$12,000

OI investigated a UI claimant based upon a referral from the RRB. OI's investigation determined that during the period of April 2015 through December 2016, the claimant applied for UI benefits on the same days he was working and being paid by a private employer. The claimant submitted a total of 20 false claims and received more than \$12,000 in fraudulent UI benefits.

This case was referred to the United States Attorney's Office for the Eastern District of Texas. The United States Attorney's Office filed a civil complaint against the claimant for violating the False Claims Act. The claimant subsequently signed a consent judgment agreeing to repay the full amount.

Bankruptcy Judge Orders that Fraudulent UI Claims Are Not Dischargeable

OI investigated a UI claimant based upon a referral from the RRB. OI's investigation determined that during the period of May 2016 through January 2017, the claimant applied for UI benefits on the same days he was working and being paid by a private employer. The claimant submitted a total of 18 false claims and subsequently agreed to repay double damages in the amount of \$15,024. The claimant, however, filed for voluntary chapter 13 bankruptcy protection and failed to notify the U.S. Bankruptcy Court of his debt to the RRB. The U.S. Attorney's Office for the Northern District of Illinois represented the RRB before the U.S. Bankruptcy Court and entered into a Stipulation Order with the claimant asserting that this debt is not dischargeable in bankruptcy.

Retirement-Survivor Investigations

The RRA provides retirement-survivor benefits for qualified railroad workers and their families. RRB retirement-survivor benefit fraud typically involves:

- an individual failing to report information to the RRB that may disqualify the annuitant from receiving benefits;
- instances of theft or fraudulent cashing of retirement benefit checks by someone other than the authorized RRB annuitant; or
- an individual designated to receive RRB benefits on behalf of an RRB annuitant fraudulently using the funds for their own personal use.

During this reporting period, OI obtained two convictions related to Retirement-Survivor benefit fraud. Defendants in these cases received, in the aggregate, sentences totaling more than seven years of probation and were ordered to pay more than \$186,000 in restitution and fines.

A description of these retirement-survivor cases follow.

Annuitant's Daughter Indicted for Theft of Government Funds

OI Special Agents determined that an annuitant's daughter failed to report his death to the RRB and fraudulently collected approximately \$90,000 worth of RRB annuity payments.

This case was referred to the United States Attorney's Office for the District of Nevada which filed an indictment against the daughter. She subsequently pled guilty to one count Theft of Government Funds and one count Social Security Fraud. The daughter was sentenced to five years of probation and more than \$135,000 in restitution payable to the RRB and the Social Security Administration.

Annuitant's Daughter Ordered to Forfeit Approximately \$40,000 in Improper Payments

OI's investigation revealed that an RRB annuitant passed away in April 2012; however, RRB continued to deposit electronic funds into her bank account until July 2015. Special Agents determined that the annuitant's daughter converted these improper payments for her own personal use.

This case was referred to the United States Attorney's Office for the Northern District of Illinois which filed a criminal information against the daughter. She subsequently pled guilty to Theft of Government Funds and was sentenced to 30 months of probation, more than \$50,000 in restitution, and approximately \$40,000 in forfeiture.

Railroad Medicare Investigations

All of OI's active Medicare cases are being worked jointly with either the Office of Inspector General for the U.S. Department of Health and Human Services, the Office of Inspector General for the Office of Personnel Management, or other agencies responsible for investigating health care fraud. Interagency cooperation is imperative to effective law enforcement especially among agencies responsible for investigating the complexities of health care fraud committed against multiple federal agencies.

During this reporting period, OI obtained 21 convictions and 4 civil judgments in Railroad Medicare related fraud cases. Defendants in these cases received, in the aggregate, sentences totaling more than 62 years of prison, 42 years of probation, 650 hours of community service, and were ordered to pay more than \$145 million in restitution, fines, and civil damages/penalties.¹⁰

Descriptions of representative Railroad Medicare cases completed during this reporting period follows.

Clinic Owners Sentenced to 260 Months of Prison

An OI Special Agent participated as a member of a multi-agency team investigating a medical clinic owned and operated by a physician and his wife. The investigation exposed a number of criminal activities perpetrated by the couple including the unlawful distribution of prescription opioids, health care fraud, and money laundering.

This case was referred to the United States Attorney's Office for the Eastern District of Kentucky which filed a criminal indictment against the couple. This case was subsequently brought to trial and the owners were convicted of more than 190 health

¹⁰ This total reflects the full amount of restitution, fines, and civil damages/penalties ordered. Since OI's Railroad Medicare fraud cases are joint investigations, the total dollar amount includes losses to other health care programs.

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care fraud related counts. They were sentenced to a combined 260 months of prison, 6 years of probation, and more than \$12.7 million in restitution.

Qui Tam Lawsuit Settled for More Than \$3.5 Million

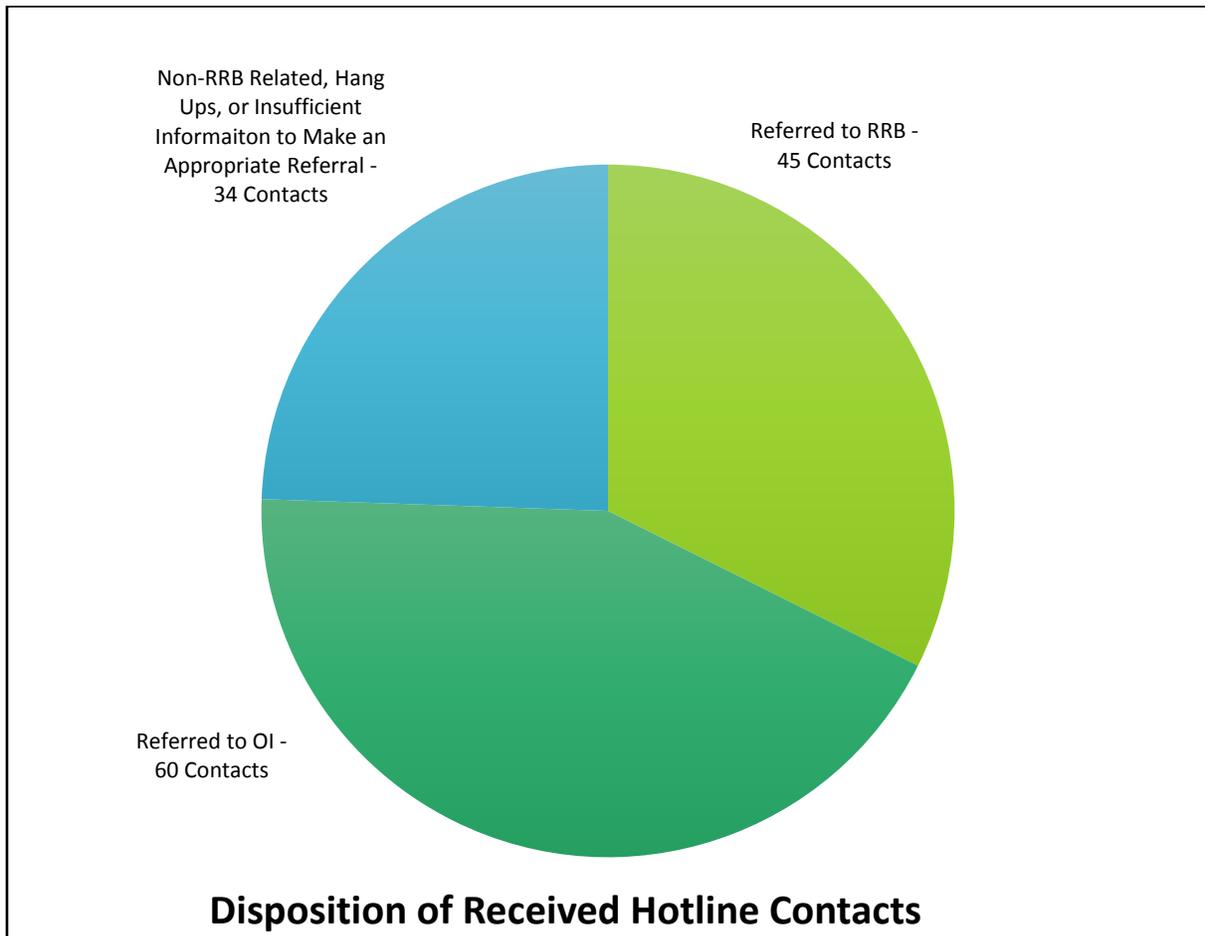
OIG Special Agents worked cooperatively as members of a multi-agency team investigating allegations contained in a Qui Tam lawsuit filed in the Northern District of Texas. Agents were able to prove that the subject medical provider violated anti-kickback regulations and the United States Attorney's Office subsequently intervened in this case. The U.S. Attorney's Office entered into a settlement agreement with the provider for more than \$3.5 million.

Hospital Self-Disclosed Upcoding

OIG worked with the U.S. Attorney's Office for the Southern District of Georgia to ensure that improper Railroad Medicare payments were incorporated into a settlement agreement between a self-disclosing hospital and the U.S. Attorney's Office for the Southern District of Georgia. The hospital agreed to repay more than \$160,000 to resolve improper payments billed by a former employee.

Hotline Contacts

The OIG's hotline provides an open line of communication for individuals to report suspected criminal activity and mismanagement/waste of RRB funds. During this reporting period, our hotline received 139 contacts in the following manner: 63 percent by telephone, 27 percent by email, and 10 percent by mail. The following chart summarizes the disposition of these received hotline contacts.



OTHER OVERSIGHT ACTIVITIES

Significant Management Decision with Which the Inspector General is in Disagreement

In addition to significant issue disagreements discussed elsewhere in this report, the Inspector General's ongoing communications with the RRB regarding their debt collections activities continues to cause concerns regarding the RRB's willingness to hold perpetrators accountable for committing fraud or abusing federal programs. Further development of this issue continues.

OIG Alerts

OIG Alerts supplement our current audit and investigative processes by providing the Inspector General with a quick and efficient mechanism to suggest program integrity improvements. During this semiannual reporting period, the Inspector General issued one OIG Alert relating to the RRB's disability program. This OIG alert was restricted from public distribution because of its sensitive nature.

Inspections, Evaluations, and Audits Not Disclosed to the Public

"Priority Audit Memorandum – Reliability of the Legal Representation Letter" (PAM 18-01), was not disclosed to the public. The purpose of this memorandum was to communicate audit concerns regarding the reliability of the RRB's legal representation letter based on observations and evidence obtained by OIG auditors during the financial statement audit. This memorandum was restricted from public distribution because of its sensitive nature; however, the findings associated with this memorandum were subsequently reported in Audit Report 18-04, *Fiscal Year 2017 Financial Statement Audit Letter to Management*.

OPERATIONAL ISSUES

The following operational issues impact the OIG's ability to effectively carry out its oversight role.

Attempts to Interfere with the Independence of the Office of Inspector General

During this period, OIG auditors experienced interference as it relates to unfettered access to information for certain ongoing audits from a specific RRB bureau. Issues included pushback from RRB staff and management when auditors made meeting requests or asked for documentation. Auditors also did not receive significant, pertinent information, related to the audits or received incomplete answers when seeking information. While sometimes these are minor issues that are addressed through the audit process, the significance of these matters necessitated that OIG leadership discuss them with the cognizant RRB official. Improvement has been noted since that discussion.

As we have reported in prior periods, our office has experienced ongoing resistance to its oversight activities by the RRB, particularly as it relates to considering weaknesses identified via OIG audits. We present the following instances of such resistance during this reporting period.

- We reported that the RRB had been noncompliant with improper payment reporting for three consecutive years due to the lack of risk assessments prepared in accordance with OMB guidance for all of the programs that the RRB administers. RRB management did not concur with our recommendation to take corrective actions as required by OMB for its third year of noncompliance, thus the agency is in further violation of IPERA and OMB guidance.
- We reported deficiencies for the RRB's quality assurance process for the RRA. We determined that actions taken by RRB staff invalidates the statistical reliability of the reported results. Cases reviewed during the RRA quality assurance process are used to compute agency benefit payment noncompliance, RRB performance results, and improper underpayments. We recommended that RRB management: (1) revise its sample process, (2) revise quality assurance policies and procedures to ensure the statistical validity of the sample results, and (3) provide training to ensure statistical validity of the reported results. RRB management did not concur with these recommendations, thus allowing the RRB to continue to report results that are not statistically valid.

We believe each audit recommendation and finding discussed above and those that remain unaddressed from our prior reporting requires action by the agency to address. Continued inaction leaves taxpayer funds at risk of loss and misallocation.

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In addition to the examples above and as reported previously, in conducting the fiscal year 2014 through 2017 mandated consolidated agency financial statement audit, the RRB has refused to provide the OIG access to the NRRIT's auditor or associated audit work papers, as required by AICPA. As a result, our office issues a disclaimer of opinion on the RRB's financial statements, which directly impacts the governmentwide financial statements. The OIG intends to continue reporting on this matter as the refusal leaves approximately \$26.5 billion in federal funds without independent oversight.

RRB management remains resistant to our reported finding that the RRB lacked adequate supporting documentation in the RRB's official records when the transactions were recorded and approved in the RRB's financial reporting system that amounted to approximately \$14.2 billion during fiscal year 2016 and \$503.2 million during fiscal year 2017. RRB management stated that our conclusion, that the documentation was missing, is patently false and purposefully overstates the magnitude of the discrepancy. The OIG disagrees. RRB's Accounting Procedures Guide requires agency staff to provide sufficient support *as attachments* in the agency's financial reporting system to validate the recording of each transaction. The attachments are the basis for review and approval. The attachments for each cited transaction lacked sufficient supporting documentation in the agency's financial reporting system and as such, it is described as missing. Our determination was based on the requirements outlined in the RRB's Accounting Procedures Guide, with which they did not comply.

National Railroad Retirement Investment Trust

The NRRIT is a tax-exempt entity independent of the federal government which was established by the RRSIA to manage and invest railroad retirement assets. RRSIA requires that the NRRIT report to the RRB but does not provide the OIG with oversight authority to conduct audits and investigations of the NRRIT. We have, however, monitored the NRRIT since 2001 and have continually expressed concerns regarding lack of meaningful oversight. Despite these concerns, the RRB continues to maintain a passive relationship with the NRRIT. A lack of NRRIT investment fund management accountability, transparency, and stringent financial oversight can be precursors to fraud, waste, or abuse. Yet, the NRRIT fund, which supports the railroad retirement program, continues to remain outside the purview of those appointed to protect the interests of the program's beneficiaries and tax-paying public. To ensure the integrity, economy, and long-term viability of the NRRIT, RRB management must establish and implement independent performance audit requirements that will strengthen administrative and financial oversight and ensure fund transparency.

Additionally, as discussed elsewhere in this report, the OIG is not able to comply with the AICPA auditing standards (section 600) and will disclaim on the RRB's financial statements this year and in future years until legislative changes are made regarding the relationship between the OIG, the NRRIT, and its auditors.

LEGISLATIVE & REGULATORY REVIEW

The Inspector General Act of 1978, as amended, requires the Inspector General to review existing and proposed legislation and regulations relating to the programs and operations of the agency. The agency did not submit any legislative proposals for OIG review during this reporting period.

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APPENDICES

<i>Appendix</i>	<i>Title</i>	<i>Page No.</i>
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Appendix A – Office of Inspector General Reports and Other Publicly Available Papers Issued

- *Railroad Retirement Board’s Initial DATA Act Submission, While Timely, Was Not Complete or Accurate* (Report No. 18-01)
- *Report on the Railroad Retirement Board’s Financial Statements* (Report No. 18-02)
- *Management Information Report – Management and Performance Challenges Facing the Railroad Retirement Board* (Report No. 18-03)
- *Fiscal Year 2017 Financial Statement Audit Letter to Management* (Report No. 18-04)

All publicly available audit reports and papers are available on our website at <https://www.rrb.gov/index.php/OurAgency/InspectorGeneral>.

Appendix B – Audit Reports with Questioned Costs or with Recommendations That Funds be Put to Better Use

	Audit Reports With Questioned Costs	Amount of Questioned Costs	Amount of Unsupported Costs
A. For which no management decision had been made by October 1, 2017	0	\$0	\$0
B. Which were issued from October 1, 2017 through March 31, 2018	1	\$403,300,000	\$384,200,000
Subtotal (A + B)	1	\$403,300,000	\$384,200,000
C. For which a management decision was made between October 1, 2017 through March 31, 2018	1	\$403,300,000	\$384,200,000
(i) dollar value of disallowed costs (agreed to by management)		\$403,300,000	\$384,200,000
(ii) dollar value of costs not disallowed (not agreed to by management)		\$0	\$0
D. For which no management decision had been made by March 31, 2018	0	\$0	\$0

	Audit Reports With Recommendations That Funds Be Put to Better Use	Dollar Value
A. For which no management decision had been made by October 1, 2017	0	\$0
B. Which were issued from October 1, 2017 through March 31, 2018	0	\$0
Subtotal (A + B)	0	\$0
C. For which a management decision was made between October 1, 2017 through March 31, 2018	0	\$0
(i) dollar value of recommendations agreed to by management		\$0
(ii) dollar value of recommendations not agreed to by management	0	\$0
D. For which no management decision had been made by March 31, 2018	0	\$0

Appendix C – Report on Receivables, Waivers, and Recoveries

The fiscal year 1999 House Report for the Office of Inspector General (OIG) directs the reporting of additional information concerning actual collections, offsets, and funds put to better use as a result of the OIG's actions and investigations.

Office of Investigations

Recoveries Realized by the Railroad Retirement Board Resulting from Court-Ordered Restitution and Civil Damages (As Reported by the RRB)			
Fiscal Year	Amount Recovered	Fiscal Year	Amount Recovered
1999	\$ 855,655	2014	\$1,021,544
2000	\$1,038,134	2015	\$ 904,400
2001	\$ 990,356	2016	\$1,121,313
2002	\$ 785,843	2017	\$1,118,172
2003	\$ 947,876	2018	\$850,900
2004	\$ 646,273		
2005	\$ 844,183		
2006	\$1,281,680		
2007	\$1,347,049		
2008	\$1,389,489		
2009	\$1,097,227		
2010	\$1,118,256		
2011	\$2,293,530		
2012	\$1,417,125		
2013	\$1,922,166		

Office of Audit

Report	Funds to Be Put to Better Use	Funds Agreed by Management	Receivables Established	Waivers	Recoveries to Date ¹¹
99-03	\$50,850	\$50,850	\$50,850	\$50,490	\$360
99-14	\$83,000	\$83,000	\$34,423	\$0	\$30,584
99-16	\$48,000,000	\$48,000,000	\$0	\$0	\$27,500,000
99-17	\$11,000,000	\$11,000,000	\$0	\$0	\$1,604,545
00-16	\$235,000	\$235,000	\$0	\$0	\$253,846
03-06	\$306,129	N/A	\$0	\$0	\$306,129
04-06	\$821,000	\$821,000	\$604,429	\$5,564	\$629,688
04-10	\$400,000	\$400,000	\$0	\$0	\$761,151
05-03	\$1,800,000	\$1,800,000	\$4,455,247	\$339,244	\$3,364,205
05-06	\$10,000	\$10,000	\$0	\$0	\$42,915
05-07	\$1,070,000	\$1,070,000	\$49,943	\$0	\$95,376
05-10	\$2,600,000	\$2,600,000	\$311,000		
06-04	\$257,000	\$257,000			
06-05	\$2,100	\$2,100	\$0	\$0	\$0
06-06	\$200,000	\$200,000	\$31,455	\$0	\$39,535
09-02	\$600,000	\$600,000	\$320	\$0	\$2,110,301 ¹²
10-09	\$3,355,408	\$3,355,408	\$0	\$0	\$3,355,408
10-13	\$212,038	\$92,412	\$0	\$0	\$18,614
12-03	\$3,483	\$3,483	\$0	\$0	\$3,483
13-03	\$112,600	\$112,600	\$0	\$0	\$0
13-08	\$2,440	\$2,440	\$0	\$2,440	\$0
13-09	\$9,927 ¹³	\$9,927	\$4,330 ¹⁴	\$0	\$10,004
14-04	\$866,000	\$866,000	\$51,490	\$51,490	\$0
14-08	\$11,900,000	\$0	\$0	\$0	\$0
15-03	\$11,148	\$11,148	\$0	\$0	\$0
16-02	\$6,914	\$6,914	\$0	\$0	\$210
16-10	\$19,500	\$0	\$0	\$0	\$0

¹¹ Both overpayments and underpayments are included in this column.

¹² Amount reflects correction of previously reported recoveries by the RRB.

¹³ Amount includes additional monies reported by the RRB.

¹⁴ Amount reflects correction of previously reported receivables by the RRB.

Appendix D – Significant Matters

The OIG identified the following significant recommendations described in previous semiannual reports on which corrective action has not been completed.

Financial Controls and Reporting

Ineffective Controls

We continued to cite a material weakness in financial reporting in our financial statement audit for fiscal year 2017 because we continued to find ineffective controls for material transactions. Despite corrective actions that consisted of new controls, training, and updated procedures, we identified approximately \$503.2 million of recorded and approved financial transactions during fiscal year 2017 that lacked adequate supporting documentation. As a result, we found that additional internal control improvements are needed.

In fiscal year 2016, we reported that selective financial management business process controls need improvement to ensure proper access, segregation of duties, appropriate approvals, proper payments, vendor data, and processing overrides. During this semiannual period, corrective actions attempted by management were not sufficient to ensure program integrity of vendor code data and to ensure correction of discrepant vendor codes. Corrective actions for the remaining recommendations remain in progress.

In fiscal year 2015, we reported that internal controls were not adequate to ensure that obligations were recorded and reported in accordance with applicable laws and regulations and were inadequately documented to support open obligations. During this semiannual period, management provided evidence of travel and purchase cardholder training; however, because management did not explain how this process will ensure that future training is completed in a timely manner, we determined that these actions were not sufficient to provide complete evidence of implementation. Corrective actions for the remaining recommendations remain in progress.

For fiscal year 2014, we reported ineffective controls as part of an overall material weakness in financial reporting and made recommendations for improvements. Corrective actions for three recommendations remain in progress.

Communication with the National Railroad Retirement Investment Trust’s Auditor

This portion of the overall material weakness in financial reporting continues to exist. Communication between OIG and National Railroad Retirement Investment Trust (NRRIT) auditors is required to achieve compliance with American Institute of Certified Public Accountants standards. RRB management continues to cite statutory limitations

as the basis for not permitting OIG auditors to communicate with NRRIT auditors, and therefore, did not concur with the recommendation for corrective action. We continue to look for resolution of this issue.

Ineffective Control Environment

In fiscal year 2017 and in connection with our financial statement audit, we continued to cite a material weakness for the RRB's control environment. We determined that RRB management had not taken corrective actions to address high level, monetarily significant matters that were not in accordance with authoritative guidance, previous agreements, and laws and regulations regarding matters that could have a detrimental effect on the reliability of financial reporting at the RRB and at governmentwide levels. During this semiannual reporting period, RRB management provided evidence of notification to Executive Committee members to ensure that OIG auditors are provided with timely notification of significant matters that could impact the RRB's financial statement.

We continued to cite more examples of the ineffective control environment as related to the NRRIT, federal travel regulations, and improper payment reporting.

- National Railroad Retirement Investment Trust Net Assets

We previously reported disagreement with RRB management and the General Counsel's legal opinion in regard to Federal Accounting Standards Advisory Board's Statement of Federal Financial Accounting Standards 47 (SFFAS 47), Reporting Entity, which becomes effective in fiscal year 2018. RRB management and the RRB's General Counsel determined that the NRRIT met the requirements for a disclosure entity, which would result in removal of its net assets from RRB and governmentwide financial statements. OIG auditors determined that the NRRIT met the requirements of a consolidating entity, which would allow NRRIT net assets to remain in RRB and governmentwide financial statements. On December 27, 2017, OIG auditors were informed that the SFFAS 47 Steering Committee determined that the NRRIT will be classified as a consolidating entity, and therefore its net assets will continue to be reported as assets of the federal government.

- Federal Travel Regulations

For federal travel regulations, we reported that the RRB did not always comply with federal travel regulations and that the RRB's approval and authorization controls were not always adequate and enforced. RRB management did not concur with some of our recommended corrective actions, and in one instance stated that there was no requirement for RRB policies and procedures to mirror federal travel regulations. Policies and procedures are not required to mirror regulations but they cannot allow for the regulations to not be followed, which we found in one instance. Other reasons RRB management provided for nonconcurrency included reliance on the travel system that

the RRB uses and the warnings and other system functionalities built into the system. The OIG disagreed and reiterated the need for improved controls, adequate documentation, and updated policies and procedures to ensure compliance with federal travel regulations.

- Improper Payment Reporting

Regarding improper payment reporting, we previously reported that the RRB had been noncompliant with improper payment reporting for three consecutive years due to the lack of risk assessments prepared in accordance with Office of Management and Budget (OMB) guidance for all of the programs that the RRB administers.¹⁵ RRB management did not concur with our recommendation to take corrective actions as required by OMB for third year noncompliance, thus the agency was in further violation of OMB guidance.

See other details regarding financial statement concerns as reported in Audit Report No. 18-02, *Report on the Railroad Retirement Board’s Financial Statements* and Audit Report No. 18-04, *Fiscal Year 2017 Financial Statement Audit Letter to Management*.

Financial Controls and Reporting Issue Area	Date of Report	Audit Report and Recommendations
Ineffective Controls	August 1, 2014 March 31, 2015 August 14, 2015 November 30, 2015	OIG Report 14-10, 1-2 OIG Report 15-05, 2 OIG Report 15-08, 1-4, 6, 9-12, 16 OIG Report 16-02, 8-11
Communication with the NRRIT’s Auditor	March 31, 2015	OIG Report 15-05, 8
Ineffective Control Environment	February 16, 2017 April 11, 2017	OIG Report 17-03, 2, 3 OIG Report 17-04, 1-19

Program Integrity Activities

Occupational Disability Program

In 2007, the OIG initiated a joint investigation with the Federal Bureau of Investigation that unraveled a complex occupational disability fraud scheme perpetrated by a number of Long Island Rail Road retirees, doctors, and disability facilitators. Foundational flaws that leave the RRB’s occupational disability program susceptible to fraud and abuse remain, including an agency culture that focuses on paying benefits quickly; thereby increasing the likelihood of erroneous payments.

¹⁵ RRB OIG, *Audit of the Railroad Retirement Board’s Compliance with the Improper Payments Elimination and Recovery Act of 2010 in the Fiscal Year 2016 Performance and Accountability Report*, Audit Report No. 17-05 (Chicago, IL: May 12, 2017).

In fiscal year 2016, we reported that medical opinions used in the decision to award disability annuities added limited value to the disability determination process. Medical opinions used by the RRB were found to be inaccurate and incorrectly presumed to have been based on all medical evidence in the file when the opinion did not support that assumption. Controls were also ineffective in ensuring that contract requirements were met, and that medical licenses, insurance requirements, and timeliness was effectively monitored by the RRB.

In fiscal year 2014, we reported that a provision of the Railroad Retirement Act (RRA) allows railroad employees to purchase their service eligibility for an occupational disability annuity through injury settlements with their railroad employer, and without the RRB as a party to the settlement. The RRB is then obligated to pay the annuity from the RRA trust fund, which could potentially impact the trust fund by as much as \$2.2 billion if all annuitants who barely qualified for an occupational disability had purchased some of the qualifying service months through an injury settlement. Additionally, under the law, such settlements are not always taxable as railroad compensation.

In fiscal year 2013, we reported that the RRB did not always verify job duty information before granting occupational disability annuities, and RRB policies and procedures were inadequate to ensure such verifications were obtained. Job duty information is used to determine the applicant’s job duties normally performed and to consider impairment-related restrictions. Such information is used to support whether the applicant is unable to perform his or her railroad occupation, a requirement for the awarding of occupational disability benefits.

Program Integrity Issue Area	Date of Report	Audit Report and Recommendations
Medical Opinions	March 9, 2016	OIG Report 16-05, 1, 3, 5, 7, 8, 12-18
Injury Settlements	July 18, 2014	OIG Report 14-08, 1-2
Job Duty Verifications	January 15, 2013	OIG Report 13-02, 1, 3-5

Oversight of Railroad Medicare

In fiscal year 2016, we determined that controls were not adequate to ensure the RRB’s cost allocation plans and Medicare reimbursement calculations were accurate and supported in accordance with federal requirements. Further, the RRB’s Medicare cost allocation policies and procedures were not effective in preventing errors. Labor costs were reimbursed based on management’s professional judgment and indirect costs had not been formally approved by the Centers for Medicare and Medicaid Services (CMS).

RRB management concurred with 10 recommendations and did not concur with 16 recommendations. Management’s response raises concerns and increases the risk of inaccurate future reimbursements from CMS. Generally, RRB and the OIG disagree on the applicability of and the RRB’s compliance with the OMB Circular A-87 which provides

the federal requirements for preparation of the cost allocation plan. The RRB nonconcurred with recommendations that would require retroactive assessment of the accuracy of reimbursements received from CMS in compliance with the applicable interagency agreement or address the examples of noncompliance with OMB Circular A-87.

The weaknesses resulted in unsupported Medicare direct costs totaling approximately \$30.4 million and unsupported indirect costs ranging from \$9.5 million to \$33.8 million for fiscal years 2010 through 2014. Final determination of the accurate reimbursable Medicare costs may result in violations of the Purpose Statute and Antideficiency Act.

On December 2, 2016, the RRB requested that the OIG rescind its audit report that disclosed the control inadequacies within its cost allocation plans and offered recommendations for improving the accuracy of Medicare reimbursement calculations. The agency believes the OMB Circular A-87 guidance does not adequately address the reimbursement relationship between two federal agencies and was superseded during the review.

OMB Circular A-87 establishes specific requirements and expectations with respect to the reimbursement of the RRB’s Medicare costs and was adopted by the RRB within the terms of its interagency agreement with CMS. Rejection by RRB management of the OMB Circular A-87 requirements would leave no criteria in place for the RRB to be held accountable in requesting cost reimbursement from CMS. OMB Circular A-87 was determined to be effective and was in effect during the entirety of the timeframe covered by the audit. On this basis, the OIG denied the RRB’s request on January 18, 2017. Corrective action addressing 18 significant recommendations remains in progress. RRB management did not concur with 16 of the 18 open recommendations.

In fiscal year 2015, we determined that controls were not sufficient to ensure that payments for Railroad Medicare chiropractic services complied with Medicare requirements. Inadequate contract oversight resulted in vulnerabilities exposing approximately \$14 million in payments for unnecessary and improper chiropractic services from 2009 through 2013. In addition, the reviews performed by the RRB’s Medicare contractor did not validate the medical necessity for billed chiropractic services, nor did the contractor’s procedures adequately identify ongoing risks associated with chiropractic service claim payments. Such risks include the frequency of chiropractic visits, the use of dual modifiers, commonly up coded chiropractic services, and high risk chiropractic services. Corrective action addressing four significant recommendations remains in progress. RRB management did not concur with two of the four open recommendations.

Oversight of Railroad Medicare Issue Area	Date of Report	Audit Report and Recommendations
Reimbursed Medicare Costs	August 22, 2016	OIG Report 16-10, 1-16, 23-24
Chiropractic Services	June 4, 2015	OIG Report 15-07, 7, 9-11

Information Technology

As with all federal agencies, the RRB faces the challenge of how to modernize its information technology and safeguard sensitive data, while accomplishing the agency's mission. On October 31, 2017, we released our fiscal year 2017 online CyberScope report on the information security at the RRB as mandated by the Federal Information Security Modernization Act of 2014 (FISMA). Our audit determined that the RRB continues to make progress in implementing an information security program that meets the requirements of FISMA, yet a fully effective security program has not been achieved. Each of the five cybersecurity framework functions and seven corresponding OIG FISMA metric domains were assessed as not effective when evaluated using the five level maturity model. The overall information security program has weaknesses that impact more than one area of the cybersecurity framework. These weaknesses involve a growing number of aging weaknesses on RRB's Plan of Action and Milestones, continued problems with maintaining current and comprehensive policy and procedures, and current gaps in RRB's privacy program.

Prior information technology reports included recommendations for improvement, many of which continue to be open or unimplemented. Our last performance audit report was issued for fiscal year 2016.

Information Technology Issue Area	Date of Report	Audit Report
Information Security	June 16, 2017	OIG Report 17-06

For more information on major management challenges identified by our office, see *Management and Performance Challenges Facing the Railroad Retirement Board*, OIG Management Information Report No. 18-03, December 11, 2017.

Appendix E – Peer Reviews

Office of Audit

In general, federal audit organizations may receive a peer review rating of pass, pass with deficiencies, or fail.

The results of the Office of Audit's (OA) most recently completed peer review for the period ending March 31, 2015, was transmitted on September 23, 2015. OA received a peer review rating of pass.

The OA did not conduct any peer reviews of other audit organizations during this reporting period.

Office of Investigations

A rating of compliant conveys that the reviewed Office of Inspector General has adequate internal safeguards and management procedures to ensure that the Council of Inspectors General on Integrity and Efficiency standards are followed and that law enforcement powers conferred by the Inspector General Act, as amended, are properly exercised.

The results of the Office of Investigation's (OI) most recent peer review, for the period ending August 25, 2017, was transmitted on November 6, 2017. OI received a rating of compliant.

During this semiannual reporting period, OI did not complete any peer reviews of other investigative offices.

Appendix F – Reports Prepared by Management

Final Action on Audits with Disallowed Costs

Pages 39 through 47 were prepared exclusively by the RRB.

For the 6-Month Period Ending March 31, 2018	<u>Number of Audit Reports</u>	<u>Disallowed¹⁶ Costs</u>
A. Audit reports, with management decisions, on which final action had not been taken at the beginning of the period.	0	\$ 0
B. Audit reports on which management decisions were made during the period.	0	\$ 0
C. Total audit reports pending final action during the period. (A + B)	0	\$ 0
D. Audit reports on which final action was taken during the period.		
1. Recoveries		
(a) Collections and offsets	0	\$ 0
(b) Property	0	\$ 0
(c) Other	0	\$ 0
2. Recovery Waived	0	\$ 0
3. Total of 1 and 2	0	\$ 0
E. Audit reports needing final action at the end of the period (C - D.3).	0	\$ 0

¹⁶ The Inspector General Act of 1978, as amended, defines a disallowed cost as “a questioned cost that management, in a management decision, has sustained or agreed should not be charged to the Government.” The Railroad Retirement Board’s Office of Inspector General has not identified disallowed cost during the current, or prior, reporting period.

***Management Report on Final Action on Audits with
Recommendations to Put Funds to Better Use for the
6-Month Period Ending March 31, 2018***

Pages 39 through 47 were prepared exclusively by the RRB.

	<u>Number of Audit Reports</u>	<u>Funds to be Put¹⁷ to Better Use</u>
A. Audit reports, with management decisions, on which final action had not been taken at the beginning of the period.	1	\$600,000 ¹⁸
B. Audit reports on which management decisions were made during the period.	0	\$0
C. Total audit reports pending final action during the period. (A - B)	1	\$600,000
D. Audit reports on which final action was taken during the period.		
1. Value of recommendations implemented (completed)	0	\$0
2. Value of recommendations that management concluded should not or could not be implemented (completed)	0	\$0
3. Total of 1 and 2	0	\$0
E. Audit reports needing final action at the end of the period	1	\$600,000

¹⁷ Numbers reported represent amounts associated with open recommendations for which corrective action is not yet complete.

¹⁸ Comprised of \$600,000 from Audit Report 09-02, Fiscal Year 2008 Financial Statement Audit Letter to Management. Resolution is pending Office of Inspector General review.

**Management Statement on Resolved Audit Reports Over
12 Months Old with Final Action Pending as of
March 31, 2018**

Pages 39 through 47 were prepared exclusively by the RRB.

Report	Date	Disallowed Cost	Funds put to Better Use	Status
Review of information Security at the Railroad Retirement Board (02-04)	2/5/2002	NONE	NONE	The Bureau of Information Services closed 27 of 28 recommendations. Corrective action for final recommendation on-going.
Review of Internal Control over The Actuarial Projection Process (05-04)	5/5/2005	NONE	NONE	The Actuary continues to review work plan.
Review of Incident Handling and Reporting at the Railroad Retirement Board (06-09)	8/24/2006	NONE	NONE	Audit POC closed 10 of 11 recommendations. Audit POC will meet with OIG to discuss closure of final recommendation.
Audit of Federal Income Taxes Withheld from Railroad Retirement Annuities (07-07)	7/30/2007	NONE	NONE	Closed 5 of 6 recommendations. Last recommendation on hold due to resources to higher priority projects.
Fiscal Year 2007 Evaluation of information Security at the Railroad Retirement Board (07-08)	9/27/2007	NONE	NONE	Audit POC closed 5 of 7 recommendations. Work in progress to close remaining recs.
Audit of Controls to Safeguard Sensitive Personally Identifiable information (07-09)	9/27/2007	NONE	NONE	Work and coordination continues with contractor to close remaining rec.
Evaluation of Information Security for the RRB's Financial Interchange Major Application (08-03)	9/26/2008	NONE	NONE	Work in progress.
Fiscal Year 2008 Evaluation of Information Security at the RRB (08-05)	9/30/2008	NONE	NONE	Audit POC closed 7 of 8 recommendations. Documentation for remaining recommendation is currently being reviewed prior to submission to OIG.

Fiscal Year 2008 Financial Statement Audit Letter to Management (09-02)	3/24/2009	NONE	YES	Closed 9 of 13 recommendations. Documentation for 1 of 4 recommendations was submitted for OIG review. Corrective action on-going.
Audit of the Railroad Medicare Integrity Program at Palmetto Government Benefits Administrators (09-04)	9/25/2009	NONE	NONE	Closed 12 of 15 recommendations. The audit POC submitted documentation supporting recommendation closure on multiple occasions for the remaining 3; however, the OIG determined corrective actions were not sufficient to justify closure.
Fiscal Year 2009 Evaluation of information Security (10- 01)	11/12/2009	NONE	NONE	Documentation is currently being reviewed prior to submission to OIG for the last recommendation.
Review of Statistical Methods Employed in the Financial Interchange Determination (10-06m)	5/4/2010	NONE	NONE	The Bureau of Actuary and Research will review documentation and take necessary action(s).
Review of the Technical Approach and Methodology Used to Determine the Annual Financial Interchange Amount for the Year Ended September 30, 2008 (10-07m)	5/19/2010	NONE	NONE	The Bureau of Actuary and Research will review documentation and take necessary action(s).
Review of the Accuracy of the Financial Interchange as Executed for the Year Ended September 30, 2008 (10-10m)	5/25/2010	NONE	NONE	The Bureau of Actuary and Research will review documentation and take necessary action(s).
Audit of Unilateral Disability Freeze Determinations (10-11)	8/12/2010	NONE	NONE	1 of 3 recommendations was closed. Work continues on remaining 2. Target completion in FY18.
Audit of the Account Benefits Ratio (10-12)	9/29/2010	NONE	NONE	The Bureau of Actuary and Research and Research will review documentation and take necessary action(s).

Audit of Controls Over Railroad Medicare Contract Costs (11-06)	4/20/2011	NONE	NONE	4 of 15 recommendations remain open. The audit POC submitted documentation supporting recommendation closure for the last 4 recommendations on multiple occasions; However, the OIG determined corrective actions were not sufficient to justify closure.
Audit of Railroad Retirement Act Benefits Overpayments and Internal Controls (11-07)	6/29/2011	NONE	NONE	The audit POC closed 13 of 14 recommendations. For the remaining recommendation, the chart of controls for RBD and SBD will be updated and tested prior to submission to OIG for closeout.
Review of the Railroad Retirement Board's Security Patch Management Process (11-08)	7/7/2011	NONE	NONE	The audit POC closed 10 of 13 recommendations. Work continues on the 3 remaining recs.
Inspection of the Railroad Retirement Board's Agency Enterprise General Information Support System Certification and Accreditation (11-10)	9/28/2011	NONE	NONE	1 of 3 recommendations was closed. Documentation is being reviewed and finalized for submission to OIG for remaining recs.
Fiscal Year 2011 Evaluation of Information Security at the Railroad Retirement Board (12-02)	1/5/2012	NONE	NONE	11 of 13 recommendations were closed.
Fiscal Year 2011 Financial Statement Audit Letter to Management (12-04)	1/31/2012	NONE	NONE	3 of 6 recommendations were closed. Work continues on procedure review.
Inspection of the Railroad Retirement Board's Representative Payee Monitoring (12-07)	7/27/2012	NONE	NONE	Report contained 20 recommendations, 3 remain open.
Inspection of the Railroad Retirement Board's Financial Interchange System Continuous Monitoring (12-08)	9/21/2012	NONE	NONE	The Bureau of Actuary and Research will take the necessary action(s).

Audit of Job Duty Verification Procedures for Long Island Rail Road Occupational Disability Applicants (13-02)	1/15/2013	NONE	NONE	1 of 5 recommendations was closed. Documentation is currently being reviewed and finalized for resubmission to OIG for remaining.
Fiscal Year 2012 Audit of Information Security at the Railroad Retirement Board (13-04)	2/12/2013	NONE	NONE	11 of 19 recommendations were closed.
Audit of the Railroad Retirement Board's Compliance with the Government Charge Card Abuse Prevention Act of 2012 (13-10)	9/19/2013	NONE	NONE	1 of 3 recommendations closed. In the process of reviewing policies and procedures to develop controls for when and how often to review charge card holders.
Audit of the Railroad Retirement Board's Privacy Program (13-11)	9/20/2013	NONE	NONE	3 of 11 recommendations were closed. Reviewing and finalizing documentation for submission to OIG for remaining 8.
Fiscal Year 2013 Financial Statement Audit Letter to Management (14-02)	2/20/2014	NONE	NONE	1 of 2 recommendations was closed. Bureau of Fiscal Operations staff updating Accounting Procedures Guide and developing training to close other rec.
Fiscal Year 2013 Audit of Information Security at the Railroad Retirement Board (14-03)	3/4/2014	NONE	NONE	4 of 7 recommendations were implemented. Corrective action underway for the remaining 3.
Audit of the General and Application Controls in the Railroad Retirement Board's Financial Management Information System (14-06)	5/6/2014	NONE	NONE	10 of 25 recommendations were closed. Office of Administration and the Bureau of Information Services are working to implement corrective actions for remaining recs.
Audit of Payment Controls over Railroad Medicare Claims Submitted by Physical Therapists (14-07)	5/16/2014	NONE	NONE	7 of 10 recommendations closed. Office of Programs submitted close-out requests for remaining 3. Awaiting OIG review.

Management Information Report - Railroad Medicare Progress and Challenges (14-09)	7/25/2014	NONE	NONE	9 of 13 recommendations closed. Working on documentation and coordinating with external organization to complete corrective action for remaining recs.
Audit of Business Process Controls in the Financial Management integrated System (14-10)	8/1/2014	NONE	NONE	7 of 9 recommendations Closed. Bureau of Fiscal Operations staff have re-written Accounting Procedures Guide and are coordinating close-out of remaining 2 recs.
Audit of the Data Management Application Controls and Selected General Controls in the Financial Management Integrated System (14-12)	9/30/2014	NONE	NONE	5 of 8 recommendations closed. Bureau of Information Services staff currently reviewing and revising policy and procedures.
Fiscal Year 2014 Audit of Information Security at the Railroad Retirement Board (15-04)	3/16/2015	NONE	NONE	4 of 9 recommendations were closed. Corrective action underway, Bureau of Information Services is coordinating internally to review procedures and identify resources to address corrective action.
Fiscal Year 204 Financial Statement Audit Letter to Management (15-05)	3/31/2015	NONE	NONE	Closed 16 of 19 recommendations. Concurred with 2 of 3 open recommendations.
Railroad Retirement Board's Compliance with the Improper Payments Elimination and Recovery Act of 2010 in the Fiscal Year 2014 Performance and Accountability Report (15-06)	5/15/2015	NONE	NONE	Closed 4 of 10 recommendations. Non-concurred with 2 of remaining 6 recs. Submitted close-out requests for 3 of 4 recommendations. Awaiting OIG review.
Railroad Retirement Board Medicare Contract Oversight Did Not Effectively Mitigate Chiropractic Service Risks (15-07)	6/4/2015	NONE	NONE	4 of 11 recommendations remain open; however, the RRB non-concurred with 2 of the 4. Coordinating with multiple stakeholders to close out 2 recs.

Audit of the Internal Controls Over Obligations at the Railroad Retirement Board (15-08)	08/14/15	None	None	RRB concurred with 7 of 10 open recommendations.
Select Financial Management Integrated System Business Process Controls Need Improvement (16-02)	11/30/2015	NONE	NONE	7 of 11 recommendations were closed. Submitted multiple close-out requests for remaining open recommendations but the OIG determined corrective actions were not sufficient. Responsible official will continue to work corrective actions and re-submit close out requests to the OIG.
Fiscal Year 2015 Financial Statement Audit Letter to Management (16-04)	2/2/2016	NONE	NONE	Closed 3 of 5 recommendations. Bureau took corrective action that the OIG did not deem sufficient. Bureau will continue to work corrective action and will re-submit close out requests.
Control Weaknesses Diminish the Value of Medical Opinions in the Railroad Retirement Board Disability Determination Process (16-05)	3/9/2016	NONE	NONE	6 of 18 recommendations were closed and the RRB non-concurred with 6 others. Of the remaining recommendations, the RRB submitted close-out requests and the OIG did not deem the corrective actions sufficient. RRB reviewing documentation, and will submit closeout request.
Fiscal Year 2015 Audit of Information Security at the Railroad Retirement Board - Abstract (16-06)	4/26/2016	NONE	NONE	6 of 23 recommendations were closed. Agency currently reviewing documentation for remaining recommendations and will submit to OIG.
Audit of the RRB's Compliance with the Improper Payments Elimination and Recovery Act in the FY 2015 PAR (16-07)	5/13/2016	NONE	NONE	Closed 3 of the 6 recommendations. Concurred with 1 of 3 open recommendations. Documentation is currently being reviewed prior to submission to the OIG for the last rec.

Management Information Report - The RRB's Method for Recording and Reporting Overpayments Identified by Death Matches (16-08)	8/4/2016	NONE	NONE	Closed 3 of the 7 recommendations. Corrective actions are underway and documentation is under review prior to submission to the OIG for closeout of the remaining rec.
Railroad Retirement Board Did Not Calculate Reimbursed Medicare Costs In Accordance With Federal Requirements (16-10)	8/22/2016	NONE	NONE	Agency concurred with 10 of the 26 recommendations. 4 of the 10 were closed. Submitted close-out requests for 3 others that the OIG rejected. Corrective action is on-going.
Fiscal Year 2016 Financial Statement Audit Letter to Management (17-03)	02/16/2017	NONE	NONE	Agency concurred with 6 of 8 recommendations. 2 of 6 recommendations have been implemented and work is on-going for remaining 4.

Appendix G – Reporting Requirements

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5(a)(10)	Summary of Each Audit Report Over 6 Months Old for Which No Management Decision Has Been Made	12
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5(a)(13)	Chairman Statement of Compliance	None
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5(a)(21)	Attempts to Interfere with OIG Independence	23 – 24
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5(a)(22)(b)	Investigations Involving Senior Government Employees Closed and Not Disclosed to the Public	None

Act Section	Management Reporting Requirements Pages 39 through 57 were prepared exclusively by the RRB.	Page(s)
5(b)(1)	Management Comments	Management's Transmittal
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Appendix H – Acronyms

Acronym	Explanation
AICPA	American Institute of Certified Public Accountants
BFO	Bureau of Fiscal Operations
BOA	Bureau of Actuary and Research
CMS	Centers for Medicare and Medicaid Services
DATA Act	Digital Accountability and Transparency Act of 2014
FISMA	Federal Information Security Modernization Act of 2014
GAO	Government Accountability Office
NRRIT	National Railroad Retirement Investment Trust
OA	Office of Inspector General for the Railroad Retirement Board – Office of Audit
OGC	Office of General Counsel
OI	Office of Inspector General for the Railroad Retirement Board – Office of Investigations
OIG	Office of Inspector General for the Railroad Retirement Board
OMB	Office of Management and Budget
RRA	Railroad Retirement Act
RRB	Railroad Retirement Board
RRSIA	Railroad Retirement and Survivors’ Improvement Act of 2001
SAO	Senior Accountable Official
SFFAS	Statement of Federal Financial Accounting Standards
SI	Sickness Insurance
UI	Unemployment Insurance
USSGL	United States Standard General Ledger

Appendix I – Legal References

Antideficiency Act - 31 U.S.C. § 1341(a), 1342, 1349-1351, 1511(a), and 1512-1519

Digital Accountability and Transparency Act of 2014 – P.L. 113-101

Federal Information Security Modernization Act of 2014 – P.L. 113-283

Improper Payments Elimination and Recovery Act of 2010 – P.L. 111-204

Improper Payments Elimination and Recovery Improvement Act of 2012 – P.L. 112-248

Inspector General Act of 1978, as amended – 5 U.S.C. App. 3

Inspector General Empowerment Act of 2016 – P.L. 114-317

Purpose Statute – 31 U.S.C. § 1301(a)

Railroad Retirement Act – 45 U.S.C. § 231, et. seq.

Railroad Retirement and Survivors' Improvement Act of 2001 – P.L. 107–90

Railroad Retirement Solvency Act of 1983 – P.L. 98–76

Railroad Unemployment Insurance Act – 45 U.S.C. § 351, et. seq.

Reports Consolidation Act of 2000 – P.L. 106–531

Social Security Act – 42 U.S.C. § 301, et seq.

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