



*Office of Inspector General  
U.S. Department of Labor*

*Annual Performance Report  
Fiscal Year 2014*

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## Introduction

The mission of the Office of Inspector General (OIG) at the Department of Labor (DOL) is to:

- increase the economy and efficiency of DOL programs, operations and management by preventing and detecting fraud, waste, and abuse;
- conduct and supervise audits and investigations of DOL's programs and activities;
- inform the Secretary of Labor and the Congress of problems and corrective action taken with respect to the administration of DOL operations and programs;
- assess the potential for fraud, waste, and abuse, and make recommendations to DOL and the Congress; and
- operate a criminal investigative program to reduce the influence of organized crime and labor racketeering on employee benefit plans, internal union affairs, and labor-management relations.

Consistent with the Government Performance and Results Act of 1993, the OIG has a strategic plan that is driven by responsibilities under the Inspector General Act of 1978 and other statutes, as well as the mission of the Department of Labor. For its Fiscal Year (FY) 2014, the OIG's specific strategic goals were as follows:

- Goal 1: Optimize performance and accountability of DOL employment and training programs.
- Goal 2: Safeguard and improve worker and retiree benefit programs.
- Goal 3: Optimize the performance and accountability of worker protection and workplace safety programs.
- Goal 4: Assist DOL in maintaining an effective strategic management process.
- Goal 5: Combat the influence of organized crime and labor racketeering in the workplace.

Achievement of these goals is measured in terms of how well the OIG's work products effect positive change, such as improving program effectiveness; reducing vulnerabilities that make programs susceptible to abuse; achieving savings; and reducing criminal activity in the form of fraud and labor racketeering. Indicators such as the percentage of OIG audit recommendations that are implemented and convictions that result from OIG investigations are effective measures because they reflect the outcome of its work. Similarly, the monetary results of OIG investigations, costs questioned by OIG audits, and funds put to better use as the result of OIG work reflect the impact of the OIG's efforts.

In its FY 2014 Performance Plan, the OIG established performance targets for each of its strategic goals. The achievement of those goals is outlined in this report, along with detailed performance information and examples of the types of audit and investigative work accomplished in FY 2014.

At the end of this fiscal year, the OIG developed a new strategic plan with new performance measures and targets for FY 2015 - 2019. The new strategic plan is included at the end of this report.

## OIG Strategic Goals

### Goal 1

#### **Optimize the performance and accountability of employment and training programs**

- Promote the effectiveness of programs in increasing long-term employment, earnings, and self-sufficiency of, and reducing social payments to, program participants.
- Improve the integrity of DOL's employment and training programs.

### Goal 2

#### **Safeguard and improve worker and retiree benefit programs**

- Promote improved integrity and cost efficiency of the unemployment insurance and Federal disability compensation programs.
- Improve the safeguards afforded to pension, health, and welfare benefits programs.

### Goal 3

#### **Optimize the performance and accountability of worker protection and workplace safety programs**

- Enhance the effectiveness of worker safety and health programs.
- Improve the effectiveness of DOL's worker protection programs in fostering equal opportunity and fair wages.
- Improve the integrity of DOL's worker protection and workplace safety programs.

### Goal 4

#### **Assist DOL in maintaining an effective strategic management process**

- Ensure the effectiveness and efficiency of DOL management, financial systems, and information technology.
- Investigate substantive allegations of wrongdoing by DOL employees, grantees, contractors, or service providers.

### Goal 5

#### **Combat the influence of organized crime and labor racketeering in the workplace**

- Protect ERISA-covered union pension and benefit plans from the influence of organized crime and labor racketeering.
- Protect labor-management relations from employers or union officials who engage in labor racketeering activities or are influenced or controlled by organized crime.
- Protect the democratic principles of unions and the rights of the members from union officials who are influenced or controlled by organized crime or who engage in labor racketeering.

## How the OIG Plans its Work

The OIG develops its strategic work plan through consultations with its stakeholders, chiefly administration officials and the Congress:

- **Audits:** The OIG prioritizes its audit projects based on a risk assessment that considers program dollar size, vulnerability to abuse, potential impact on the public, and prior audit and investigative history.
- **Program Fraud Investigations:** OIG program fraud investigations typically result from allegations or suspicions of wrongdoing involving DOL programs, operations or personnel. They may also be the result of broad initiatives arising out of prior OIG activities, or as part of interagency initiatives, normally in consultation with the appropriate U.S. Attorneys.
- **Labor Racketeering Investigations:** OIG labor racketeering investigations generally result from allegations of organized crime influence or control of labor unions and/or employee benefit plans. They may also be the result of referrals from U.S. Attorneys, or as part of the OIG's participation in interagency task forces targeting organized crime and labor racketeering.

## External Factors that Impact Goal Achievement

As an independent, objective agency within the DOL, the OIG performs a critical function of identifying problem areas or systemic weaknesses. However, there are factors beyond its control that impact its ability to meet objectives. For example:

- It is not within the OIG's authority to implement its recommendations;
- The OIG cannot control the results of judicial or administrative proceedings that impact the outcome of its investigative work; and
- It is not within its jurisdiction to collect monetary sanctions imposed by the courts or DOL as a result of its work.

To mitigate these factors, the OIG:

- Works with DOL and the Congress to call attention to and follow-up on uncorrected deficiencies.
- Works cooperatively with U.S. attorneys.
- Strives to provide work products that give stakeholders the best, timely information to make decisions.

## How the OIG Measures its Performance

Impact	Performance Measure	Indicator
Effecting Positive Change	Identify high risk areas or significant management problems	Narrative on significant accomplishments
	Achieve implementation of recommendations	Percent implemented
	Report the results of significant accomplishments (national, regional, or local) that contribute to: <ul style="list-style-type: none"> <li>re-designs of major programs or systems</li> <li>major enhancements to program effectiveness</li> <li>significant improvements to internal controls</li> <li>terminations of grants or contracts</li> <li>changes in legislation or regulations</li> </ul>	Narrative on significant accomplishments
Reducing Vulnerabilities	Increase OIG cases accepted for enforcement action (e.g., prosecution, civil, administrative, or personnel action)	Number of cases opened
	Produce quality investigations that result in an adequate conviction rate for cases that resulted in indictment	Conviction rate
	Produce quality investigations that result in civil/administrative actions taken	Number of actions taken
	Report number of indictments and convictions obtained as a result of OIG cases	Number of convictions and indictments
	Report the results of significant accomplishments (national, regional, or local) that contribute toward reducing vulnerabilities. This includes successful investigations of corrupt union officials, plan administrators, service providers, program officials, employees, or participants	Narrative on case results
Achieving Savings	Report the amount of monetary outcomes and savings (e.g., fines, penalties, restitutions, asset forfeiture, cost efficiencies) resulting from OIG investigations.	Amount of monetary accomplishments
	Report the amount of questioned costs or opportunities for savings identified by OIG audits	Savings identified
	Achieve concurrence on recommendations for monetary savings identified by OIG audits	Percent concurred

## How the OIG's Goals Align with the Department's Goals

The OIG's strategic goals generally align with those of the Department. Below is a table that outlines how each OIG goal fits into the Department's strategic goals.

OIG Goals	DOL Strategic Goals				
	Prepare workers for good jobs and ensure fair compensation	Ensure workplaces are safe and healthy	Assure fair and high quality work-life improvements	Secure health benefits and, for those not working, provide income security	Produce timely and accurate data on the economic conditions of workers and their families
Goal 1: Optimize performance and accountability of DOL employment and training programs	X				X
Goal 2: Safeguard and improve worker and retiree benefit programs				X	
Goal 3: Optimize the performance and accountability of worker protection and workplace safety programs		X			
Goal 4: Assist DOL in maintaining an effective strategic management process	X	X	X	X	X
Goal 5: Combat the influence of organized crime and labor racketeering in the workplace	X	X	X	X	

## Agency Performance Outcomes Summary

Indicators, Targets, and Results	FY 2014 Target	FY 2014 Result
Number of investigations completed <sup>1</sup>	409	563
Percentage of prosecutions that result in a conviction for those indicted	85%	94%
Number of audits and other reports completed <sup>2</sup>	50	40
Percentage of prior year recommendations resolved by DOL	50%	92.2%
Percentage of prior year recommendations implemented by DOL <sup>3</sup>	35%	39.8%
Percentage of concurrence on prior year recommendations for monetary savings identified by OIG audits	50%	100%

<sup>1</sup> The significant difference in the result versus target was due to a large number of single claimant unemployment insurance fraud cases involving American Recovery and Reinvestment Act (ARRA) funds. These types of cases generally do not require the same resources as more complex UI fraud investigations, such as fictitious employer, fraudulent employer and identity theft schemes.

<sup>2</sup> OIG completed 40 audits during FY 2014. This was ten short of its target of 50 audits because of sequestration funding reductions.

<sup>3</sup> Because of the nature of OIG recommendations, the amount of time needed for DOL to fully implement them often exceeds more than one year, which is reflected in our target.

## FY 2014 Statistics

### Investigations:

Investigative recoveries, cost-efficiencies, restitutions, fines and penalties, forfeitures, and civil monetary action <sup>1</sup> .....	\$75.1million
Investigative cases opened .....	340
Investigative cases closed .....	563
Investigative cases referred for prosecution .....	316
Investigative cases referred for administrative/civil action .....	169
Indictments .....	452
Convictions .....	483
Debarments .....	70

### Audits:

Audit and other reports issued .....	40
Total questioned costs <sup>2</sup> .....	\$0.7 million
Funds recommended for better use <sup>3</sup> .....	\$5.1 million
Outstanding questioned costs resolved during this period .....	\$11.8 million
Allowed .....	\$7.3 million
Disallowed .....	\$4.5 million

<sup>1</sup> Includes recoveries, cost efficiencies, restitutions, fines/penalties, civil monetary actions, fines, forfeitures and court costs.

<sup>2</sup> As defined by the Inspector General Act, questioned costs include alleged violations of law, regulations, contracts, grants, or agreements; costs not supported by adequate documentation; or the expenditure of funds for an intended purpose that was unnecessary or unreasonable. Disallowed costs are costs that the OIG questioned during an audit as unsupported or unallowable and the grant/contracting officer has determined the auditee should repay. The Department is responsible for collecting the debts established. The amount collected may be less than the amount disallowed, and monies recovered usually cannot be used to fund other program operations and are returned to the U.S. Treasury

<sup>3</sup> The term "recommendation that funds be put to better use" means a recommendation by the OIG that funds could be used more efficiently or achieve greater program effectiveness if management took actions to implement and complete the recommendation. This term is defined by the Inspector General Act and includes, among other things, reductions in future outlays; deobligation of funds from programs or operations; costs not incurred in the future by implementing recommended improvements related to the operations of the establishment, a contractor, or a grantee; and any other savings specifically identified, including reverting funds to the U.S. Treasury to be used for other purposes.

## Goal 1: Optimize the performance and accountability of employment and training programs

Indicators, Targets, and Results	FY 2013 Result	FY 2014 Target	FY 2014 Result
Number of investigations completed	59	54	64
Percentage of prosecutions that result in a conviction for those indicted	98%	85%	97%
Number of audits and other reports completed	18	12	10
Percentage of prior year recommendations resolved by DOL	100%	50%	85.5%
Percentage of prior year recommendations implemented by DOL	32%	35%	29%
Percentage of concurrence on prior year recommendations for monetary savings identified by OIG audits	100%	50%	100%

Under Goal 1, the OIG seeks to promote the effectiveness of employment and training programs such as Workforce Investment Act programs, Job Corps, and Veterans' Employment and Training. The OIG also seeks to improve the integrity of DOL's training and employment programs by identifying fraud, waste or abuse involving these important programs.

In FY 2014, the OIG completed 10 audits and 64 investigations under Goal 1. The number of audits was short of its target of 12 because, due to sequestration funding reductions, OIG diverted staff from discretionary to mandatory audits. However, the OIG exceed its overall FY 2014 target for number of investigations completed by almost 10 investigations.

The following are examples of the OIG's audit work under this goal:

- An audit of ETA's On-the-Job Training (OJT) grant program found that the entered employment and retention percentages achieved for the long-term unemployed exceeded ETA's expectations. However, grantees did not have proper controls in place to support payments made to participating employers, resulting in questioned costs of about \$360,000.
- An audit of Job Corps' use of student travel funds found that approximately \$900,000 of Job Corps funds were misused or wasted because the agency lacked basic internal controls over prepaid debit cards and centrally billed government travel cards used to pay student travel expenses.
- The OIG audit of the Jobs for Veterans State Grants (JVSG) program operated by Florida's Department of Economic Opportunity (DEO) found that VETS did not ensure DEO's JVSG staff adequately provided intensive services to meet the employment and training needs of eligible veterans, or that program measures were accurately reported.

Examples of our investigative work under this goal include the following:

- A former director of educational services at the Columbus Urban League in Ohio was sentenced to 42 months in prison and ordered to pay \$85,181 in restitution for his involvement in a scheme to defraud the League, which is a recipient of WIA and other federal grant funds.
- A Colorado business owner was sentenced to more than 10 years in prison for his role in an H-1B visa fraud scheme, after being found guilty of 89 counts of mail fraud, visa fraud, human trafficking, and money laundering for his role in an H-1B visa fraud scheme. From 2008 through 2010 the business owner recruited foreign nationals and, on their behalf, filed labor condition applications with DOL so they could obtain H-1B visas. He told the foreign nationals that they would be working as nursing instructors/supervisors for a local university. In reality, the workers were subcontracted by his company to work as nurses at long-term care facilities.
- A New York immigration attorney and her associate were each sentenced to two years in prison after more than seven years of involvement in a scheme to fraudulently obtain temporary and permanent work visas.

## Goal 2: Safeguard and improve worker and retiree benefit programs

Indicators, Targets, and Results	FY 2013 Result	FY 2014 Target	FY 2014 Result
Number of investigations completed	288	215	326
Percentage of prosecutions that result in a conviction for those indicted	97%	85%	95%
Number of audits and other reports completed	13	13	8
Percentage of prior year recommendations resolved by DOL	80%	50%	83.3%
Percentage of prior year recommendations implemented by DOL	36%	35%	41.7%
Percentage of concurrence on prior year recommendations for monetary savings identified by OIG audits	100%	50%	NA

Under this goal, the OIG promotes improved integrity and cost efficiency of the Unemployment Insurance (UI) program and Federal disability compensation programs, such as the Federal Employees' Compensation Act (FECA) and the Energy Employees Occupational Illness Compensation Program Act (EEOICPA). The OIG also seeks to improve the programs that safeguard the Nation's pension and health and welfare benefit plans.

In FY 2014, the OIG completed 326 investigations and 8 audits under Goal 2. The number of audits was short of its target of 13 because, due to sequestration funding reductions, OIG diverted staff from discretionary to mandatory audits. The OIG exceeded its target for the number of investigations completed as a result of large numbers of single claimant unemployment insurance fraud cases involving American Recovery and Reinvestment Act (ARRA) funds.

The following are examples of the OIG's audit work under this goal:

- An OIG audit to determine whether the Employment and Training Administration (ETA) adequately protected the UI Weekly Claims Report from premature release found that ETA's use of an optional press lock-up to provide pre-release access to news organizations may have provided a competitive trading advantage to these organizations and their clients.
- An audit of the Employee Benefits Security Administration's (EBSA) oversight of the use of limited-scope audits for employee benefit plans found that EBSA had not provided the guidance and oversight needed to adequately protect more than \$1 trillion of plan assets invested in complex trust arrangements and hard-to-value assets held and certified by custodians.

Examples of our investigative work under this goal include the following:

- As a result of one of the OIG's UI investigations, two Chicago-area women were sentenced to 6 and 4 years in prison and ordered to pay more than \$4.8 million and \$4.6 million,

respectively, in restitution. This was from one of the largest fictitious employer UI fraud schemes ever prosecuted in the U.S. From February 2009 until December 2012, they registered 97 fictitious companies and filed more than 900 false UI claims, some of which were based on stolen identities.

- One OIG investigation resulted in the sentencing of a former U.S. Army military nurse to one year in prison and an order to pay DOL restitution of more than \$192,000. After sustaining an on-the-job injury, she submitted false claims and fraudulent documents for medical and travel costs she never incurred.
- In another investigation, a Texas psychologist was sentenced to 3 years in prison and ordered to pay more than \$1.8 million in restitution to the Office of Workers' Compensation Programs for defrauding the Federal Employees' Compensation Act Program by filing claims to receive payments for services never rendered on behalf of an injured federal worker covered under the Act.

## Goal 3: Optimize the performance and accountability of worker protection and workplace safety programs

Indicators, Targets, and Results	FY 2013 Result	FY 2014 Target	FY 2014 Result
Number of investigations completed	30	24	63
Percentage of prosecutions that result in a conviction for those indicted	83%	85%	93%
Number of audits and other reports completed	10	9	6
Percentage of prior year recommendations resolved by DOL	95%	50%	100%
Percentage of prior year recommendations implemented by DOL	43%	35%	52.4%
Percentage of concurrence on prior year recommendations for monetary savings identified by OIG audits <sup>1</sup>	N/A	50%	100%

<sup>1</sup> The OIG made no recommendations for monetary savings for audits of programs that fell within OIG Goal 3 in FY 2012 or FY 2013.

Under this goal, the OIG seeks to enhance the effectiveness and integrity of worker protection programs administered by the Occupational Safety and Health Administration (OSHA) and Mine Safety and Health Administration (MSHA) to protect the lives and health of the Nation's workers.

In FY 2014, the OIG completed 63 investigations and 6 audits under Goal 3. The number of audits was short of its target of 9 because, due to sequestration funding reductions, OIG diverted staff from discretionary to mandatory audits. The following are examples of the OIG's audit work under this goal:

- An audit of the process used by MSHA to detect and deter underreporting of injuries and illnesses in the mining industry found that MSHA has taken steps to identify underreporting. However, MSHA could strengthen this process by deriving better estimates of the overall prevalence, magnitude, and distribution of underreporting. We also found that MSHA needs to take more action to encourage employers to create a culture of reporting injuries and illnesses, and to address retaliatory and injurious employer practices.
- MSHA operates laboratories that test samples of air, gases, dusts, and solids gathered by MSHA inspectors and mine operators to evaluate safety conditions in mines. In an audit of MSHA's mine sampling process, we found that MSHA lacked a unified timeliness standard for its laboratories, covering the entire cycle time from collection of samples by mine inspectors to the reporting of results, for tests of underground mine air, gas, and dust samples that are critical to ensuring mine safety and health.
- An audit of OSHA's Voluntary Protection Program (VPP) found that 13 percent of the employers we reviewed had injury and illness rates above industry averages or had been cited

with violations of safety and health standards. Most of these participants were allowed to remain in VPP—and therefore not subject to regular OSHA inspections—for up to 6 additional years.

Examples of our investigative work under Goal 3 include the following:

- A demolition company owner and his father were sentenced to prison terms of 6 years and 4 years, respectively, for perpetrating a scheme to underpay employees on a federally funded prevailing wage contract.

## Goal 4: Assist DOL in maintaining an effective strategic management process

Indicators, Targets, and Results	FY 2013 Result	FY 2014 Target	FY 2014 Result
Number of investigations completed	33	16	17
Percentage of prosecutions that result in a conviction for those indicted	100%	85%	100%
Number of audits and other reports completed	17	16	16
Percentage of prior year recommendations resolved by DOL	100%	50%	100%
Percentage of prior year recommendations implemented by DOL	55%	35%	47.2%
Percentage of concurrence on prior year recommendations for monetary savings identified by OIG audits <sup>1</sup>	N/A	50%	100%

<sup>1</sup> The OIG made no recommendations for monetary savings for audits of programs that fell within OIG Goal 4 in FY 2012 and FY 2013.

Most of the OIG's work in support of Goal 4 involves auditing DOL's financial statements and conducting work under FISMA to ensure that DOL's information technology systems are secure. In addition, work in this area is intended to ensure that DOL's administrative processes comply with various regulations and laws.

In FY 2014, the OIG completed 16 audits and 17 investigations under Goal 4. Examples of the OIG's audit work include the following:

- As part of its IT security work, the OIG identified deficiencies related to a number of the Department's IT controls, including tracking of program-wide Plans of Action and Milestones, capital planning and investment controls for managing IT investments, implementation of cloud email services, and the migration of its human resources systems to the Department of the Treasury's Shared Services Center.
- Our review of the Department's financial management continuity plans, designed to ensure the continued operation of its financial management processes in the event the system becomes unavailable for any reason, found that the Department had made substantial progress but identified significant concerns with those plans. The Department had not fully developed a comprehensive plan for the recovery or reconstitution of financial data into an approved financial system after a disruption, compromise, or failure.
- Our annual review of the Department's compliance with the Improper Payments Elimination and Recovery Act of 2010 (IPERA) found that DOL met five of seven IPERA requirements. The Department did not quite meet the annual improper payment reduction target for the Unemployment Insurance (UI) program, and we believe the methodology the Department used to estimate improper payments resulted in it understating the actual improper payment rate for the UI program.

## Goal 5: Combat the influence of organized crime and labor racketeering in the workplace

Indicators, Targets, and Results	FY 2013 Result	FY 2014 Target	FY 2014 Result
Number of investigations completed	95	83	92
Percentage of prosecutions that result in a conviction for those indicted	97%	85%	91%

The DOL OIG has the responsibility for investigating labor racketeering and organized crime influence or control in unions, employee benefit plans, and labor management relations in the workplace. In FY 2014, the OIG completed 92 investigations under goal 5. Examples of the OIG’s investigative accomplishments in support of Goal 5 include the following:

- The wife of a Colombo La Cosa Nostra crime family associate was sentenced to 4 years’ probation and ordered to pay \$40,000 in restitution after pleading guilty to embezzling from a union benefit plan. She submitted falsified shop steward reports and invoices to the union benefit plans in an effort to conceal a double-breasted operation that allowed La Cosa Nostra to utilize union drivers to operate trucks under the guise of a nonunion business entity and significantly reduce its operating costs.
- A Chiropractor and his wife were sentenced to 8 and 2 years in prison, respectively, and ordered to pay more than \$1.4 million in restitution to the victims of a health care fraud scheme in which they submitted claims and fraudulently obtained reimbursements for services not rendered.
- The former president of the Metal Polishers Union Local 8A-28A was sentenced to 4 years in prison and ordered to pay more than \$800,000 in restitution for his involvement in multiple plan embezzlement schemes.
- The former president of the Service Employees International Union Local 6434 was sentenced to 33 months in prison for stealing funds from the union.

## FY 2015-2019 Strategic Plan

The OIG has issued a new Strategic Plan for FY 2015-2019, as follows:

### STRATEGIC GOALS

1. Delivering timely, relevant, and high-impact results
2. Combating the influence of transnational and national organized criminal enterprises, labor racketeering, and workforce exploitation in the American workplace
3. Fostering an internal OIG culture that drives high performance and engagement
4. Promoting responsible stewardship of OIG's financial and non-financial resources.

### MISSION

We serve the American Workforce, the Department of Labor, and the Congress by providing independent and objective oversight of Departmental programs through audits and investigations, and by combatting the influence of labor racketeering in the workplace.

### VISION

We strive to:

- Enhance through our oversight the Department of Labor's ability to address emerging workforce challenges; and
- Foster a thriving work environment that values employees as our greatest asset.

### CORE VALUES

#### *Excellence*

We deliver relevant, quality, timely, high-impact products and services, through a workforce committed to accountability and the highest professional standards.

#### *Integrity*

We adhere to the highest ethical principles, and perform our work in an honest and trustworthy manner.

#### *Independence*

We are committed to being free of conflicts of interest through objectivity and impartiality.

#### *Service*

We are a unified team, vigilant to duty through dedicated public service.

#### *Transparency*

We promote an environment of open communication through information sharing, accountability and accurate reporting.

## Planned Activities for FY 2015

In FY 2015, for the area of training and employment programs, the OIG will continue its audits of a select number of WIA Local Workforce Investment Boards to determine whether they manage WIA funds in accordance with federal requirements and accurately report performance data to ETA. The OIG plans to audit whether Job Corps ensured the integrity of student testing performed at Job Corps centers and the reliability of reported results. Additionally, the OIG plans to audit the YouthBuild program to determine if participation in YouthBuild improved participant employability. We will also determine if placement data reported by YouthBuild and its grantees was accurate.

In the areas of worker and retiree benefits programs, the OIG is conducting an audit to identify if EBSA's oversight of ERISA denials of benefit claims is adequate to ensure plan fiduciaries process participant and beneficiary claims in accordance with plan documents and applicable law. Additionally, OIG is conducting a review to determine if DOL ensured its agencies processed and adjudicated black lung claims efficiently and effectively. The OIG plans to conduct an audit of the Energy Employees Occupational Illness Compensation Act (EEOIC) program to determine if OWCP's bill process monitoring can be improved, identify best practices used by other federal health care programs, and whether OWCP has the necessary regulatory and legislative tools to control health care providers costs. Additionally, the OIG plans to conduct an audit to determine whether State Workforce Agencies (SWAs) have used federal funds for Information Technology Modernization to improve UI program integrity and reduce improper payments.

The OIG continues to focus on the areas of worker safety and workers' rights. For example, the OIG plans to conduct an audit of OSHA's abatement verification process to determine if OSHA properly conducts timely abatement verification of safety and health violations cited during inspections. Regarding mine worker safety and health, the OIG plans to conduct an audit to determine if MSHA has adequately received, logged, assessed, and responded to hotline complaints of hazardous mine conditions. The OIG also plans to review MSHA's oversight of mine operators' emergency response plans to determine if MSHA provided appropriate review and oversight of such plans.

The OIG will continue to assess the effectiveness of DOL's management process. For example, the OIG plans to conduct an audit to determine if DOL has developed and implemented an effective acquisition planning process. The OIG will continue its annual audit of DOL's consolidated financial statements and will conduct information security audits in accordance with the Federal Information Security Management Act of 2002. Further, OIG will determine if DOL complied with the *Improper Payments Information Act, as amended*.

In FY 2015, the OIG will focus on fraud against Departmental programs, such as the Unemployment Insurance, the Federal Employee Compensation Act, and the Foreign Labor Certification Programs. The OIG will also continue to investigate labor racketeering and/or organized crime influence or control in unions, employee benefit plans, and the workplace.