



Office of Inspector General U.S. Department of Labor

*Fiscal Year 2017 Annual Performance Report &
Fiscal Year 2019 Annual Performance Plan*



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LETTER FROM THE INSPECTOR GENERAL AND DEPUTY INSPECTOR GENERAL

We are pleased to present the OIG's FY 2017 Annual Performance Report (APR) and FY 2019 Annual Performance Plan (APP). The results for FY 2017 demonstrate the OIG's commitment to the American people, DOL, and Congress by providing independent oversight through our auditing and investigative efforts, and by combatting the influence of labor racketeering in the workforce.

The FY 2017 APR and FY 2019 APP presents OIG's organizational performance results and plans based on the OIG's FY 2018 – 2022 Strategic Plan. This report highlights the OIG strategic goals with their related strategic objectives, organizational performance results against Key Performance Indicators (KPI), and our accomplishments.

We remain committed to achieving our strategic goals, to promote internal positive change, and to create value for the American people.



Scott S. Dahl
Inspector General



Larry D. Turner
Deputy Inspector General

THE OIG AND FISCAL YEAR 2017 PERFORMANCE HIGHLIGHTS



The Office of Inspector General (OIG) at the U.S. Department of Labor (DOL) conducts audits to review the effectiveness, efficiency, economy, and integrity of all DOL programs and operations. The OIG also conducts investigations into alleged violations of federal laws relating to DOL programs, operations, and personnel. In addition, the OIG conducts criminal investigations to combat the influence of labor racketeering and organized crime in the nation's labor unions.

In Fiscal Year (FY) 2017, the OIG:

- Issued 22 audit and other reports that resulted in \$11.2 million in funds put to better use.
- Reviewed 163 single audit reports covering DOL expenditures of over \$4.52 billion. We issued 83 single audit reports that resulted in nearly \$2.4 million in questioned costs.
- Conducted investigative work that resulted in 171 indictments, 251 convictions, and more than \$108 million in monetary accomplishments.
- Testified three times before congressional committees.
- Identified eight serious management and performance challenges facing DOL.
- Issued the OIG Diversity and Inclusion Strategic Plan for FY 2018 – 2022.¹
- Issued the OIG Framework for Enterprise Risk Management (ERM).²
- Received pass and compliant ratings from peer reviews of OIG's audit and investigative functions that other OIGs conducted.
- Earned two awards from the Council of the Inspectors General on Integrity and Efficiency for achievements in uncovering fraud and inefficiencies in government programs.

The OIG complies with various laws and their implementing regulations, instructions or information provided to agencies by the Office of Management and Budget (OMB), as well as federal law enforcement and auditing policies, guidance, and professional standards.³

¹ Executive Order (EO) 13583 directs executive departments and agencies to develop and implement a comprehensive, integrated, and strategic focus on diversity and inclusion as a key component of their human resources strategies.

² For more information on the OIG's Framework for ERM, please visit our website at <https://www.oig.dol.gov/public/OIG%20DOL%20ERM%20Framework.pdf>

³ Please See Appendix A for an overview of some of the statutory laws with provisions affecting the OIG's mission and work.

THE OIG AND FISCAL YEAR 2017 SNAPSHOT

Figure 1: FY 2017 Office of Investigations Selected Accomplishments

Investigative recoveries, cost-efficiencies, restitutions, fines and penalties, forfeitures, and civil monetary action.....	\$108.2 million
Investigative cases opened.....	281
Investigative cases closed/reports issued.....	252
Investigative cases referred for prosecution.....	219
Investigative cases referred for administrative/civil action.....	78
Indictments.....	171
Convictions.....	251
Statutory debarments.....	20

Figure 2: FY 2017 OIG Office of Audit Selected Accomplishments

Funds Put to Better Use ⁴	\$11.2 million
Other monetary impact ⁵	\$26 million
Audits and other reports issued.....	22
Single Audit Reports issued.....	83

⁴ The Inspector General Act defines funds put to better use (FPTBU) as means of quantifying funds that the agency could use more efficiently or achieve greater program effectiveness if management took actions to implement and complete the recommendation. FPTBU 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 grantee; and any other savings specifically identified, including reverting funds to the U.S. Treasury to be used for other purposes.

⁵ Represents the OIG estimate of reductions in improper payments resulting from an increase in the use of a data system. Please see Report Number 04-17-003-03-315, *Better Strategies Needed To Increase Employer Participation In The State Information Data Exchange System*, (March 31, 2017) found at www.oig.dol.gov/public/reports/oa/2017/04-17-003-03-315.pdf

EVIDENCE-BASED PERFORMANCE AND PROGRESS MANAGEMENT

The OIG is a performance-based organization, as defined and described by OMB's Circular A-11. A performance-based organization commits to manage towards specific, measurable goals derived from a defined mission, using performance data to enhance operations. The concept of a performance-based organization was codified in the Government Performance and Results Act of 1993 (GPRA) and updated by GPRAMA in 2010.

FY 2018 MEASURE CHANGES AND REALIGNMENTS

The OIG assesses the achievement of its strategic goals by leveraging ERM assessments and using Key Performance Indicators (KPI) for each OIG component.⁶ In collaboration with the Inspector General, Deputy Inspector General, and the Chief Performance and Risk Management Officer, each component Assistant Inspector General (AIG) defines their own parameters for the success criteria during the development of their performance measures.

Continuous improvement of OIG's measurement strategies by providing clear definitions for strategic objectives and performance indicators, and by leveraging verification and validation techniques enables the OIG to enhance the accuracy and data quality of performance and progress reported in this APR for FY 2017 and future fiscal years.

The OIG realigned, refined, and in some cases retired measures between fiscal years and APRs to enhance organizational performance and the accuracy and data quality of performance and progress, as well as developed new measures for FYs 2018 and 2019:

- In FY 2017, the OIG's measurement strategy and performance framework leveraged 56 KPIs to measure organizational performance against 18 strategic objectives; and
- In FYs 2018 and 2019, the OIG's measurement strategy and performance framework leverages 56 KPIs to measure organizational performance against 13 strategic objectives.

Targets and results for FY 2017 measures retired in FY 2018 are found in Appendix C and a cross-reference of realigned KPIs is found in Appendix D.

The OIG leveraged FYs 2016 and 2017 baseline data and benchmarking information to set performance targets for FYs 2018 and 2019. Going forward, the OIG may update FYs 2018 and 2019 performance indicators to incorporate risk mitigation plans, best practices, and lessons learned, as well as to improve data accuracy and quality.

⁶ Please See Appendix B for OIG's organizational structure and an overview of OIG organizational components.

STRATEGIC GOALS AND OBJECTIVES

Three strategic goals guide our work and focus on ensuring sustainability, accountability, and transparency in our operations:

Table 1: OIG Strategic Goals

Strategic Goal 1	Deliver timely, relevant, and high-impact results.
Strategic Goal 2	Foster an internal OIG culture that drives high performance and engagement.
Strategic Goal 3	Promote responsible stewardship of OIG financial and non-financial resources.

STRATEGIC GOAL ALIGNMENT

The OIG strategic goals generally align with those of DOL, as indicated below:

Table 2: The OIG Goals Alignment with DOL Goals

OIG GOALS	DOL STRATEGIC GOALS ⁷			DOL MANAGEMENT GOAL ⁸
	Support the Ability of All Americans to Find Good Jobs	Promote Safe Jobs and Fair Workplaces for All Americans	Administer Strong Workers' Compensation and Benefits Programs	Optimize the Department of Labor's Enterprise Services' Opportunities
<i>Goal 1: Deliver timely, relevant, and high-impact results</i>				
	X	X	X	X
<i>Goal 2: Foster an internal OIG culture that drives high performance and engagement</i>				
	X	X	X	X
<i>Goal 3: Promote responsible stewardship of OIG financial and non-financial resources</i>				
				X

⁷ Based on proposed DOL's Strategic Plan prior to publication on 2/12.

⁸ Based on proposed DOL's Strategic Plan prior to publication on 2/12.

OVERVIEW OF FY 2017 PERFORMANCE

To present the most current information, this FY 2017 APR and FY 2018 – FY 2019 APP integrates reporting of OIG's FY 2016 and 2017 performance with its updated performance plan for the current fiscal year (FY 2018) and next fiscal year (FY 2019). This combined approach provides a retrospective and prospective view of OIGs performance, consistent with OMB guidelines.

Table 3: Overview of the OIG FY 2017 Performance

	Missed Target	Met Target	Exceeded Target	New FY 2018 KPIs	Total KPIs
Strategic Goal 1	5	2	12	12	31
<i>Objective 1.1</i>	2	0	4	0	6
<i>Objective 1.2</i>	3	0	4	9	16
<i>Objective 1.3</i>	0	0	1	3	4
<i>Objective 1.4</i>	0	1	1	0	2
<i>Objective 1.5</i>	0	1	2	0	3
Strategic Goal 2	2	0	2	5	9
<i>Objective 2.1</i>	0	0	0	1	1
<i>Objective 2.2</i>	1	0	1	1	3
<i>Objective 2.3</i>	1	0	1	0	2
<i>Objective 2.4</i>	0	0	0	3	3
Strategic Goal 3	1	1	4	10	16
<i>Objective 3.1</i>	1	0	3	0	4
<i>Objective 3.2</i>	0	0	0	2	2
<i>Objective 3.3</i>	0	0	0	6	6
<i>Objective 3.4</i>	0	1	1	2	4
Total	8	3	18	27	56

The following sections present the three OIG strategic goals with their related strategic objectives, selected accomplishments and examples of our work, organizational performance results against KPIs, and performance improvement plans for KPIs the OIG did not meet (highlighted in red):

- Strategic Goal 1—Deliver timely, relevant, and high-impact results;
- Strategic Goal 2—Foster an internal OIG culture that drives high performance and engagement; and
- Strategic Goal 3—Promote responsible stewardship of OIG financial and non-financial resources.

Targets and results for FY 2017 measures retired in FY 2018 are found in Appendix C and a cross-reference of realigned KPIs are found in Appendix D.

STRATEGIC GOAL 1—DELIVER TIMELY, RELEVANT, AND HIGH-IMPACT RESULTS

STRATEGIC GOAL 1

Deliver timely, relevant, and high-impact results

The OIG seeks to strengthen DOL key programs and operations through its work. The OIG does this by employing risk-based approaches to prioritize and target audits and investigations on areas that provide the greatest impact and address the highest risks. Goal 1 also includes proactively engaging key OIG stakeholders to seek their input for identifying potential audits and investigations.

GOAL 1 STRATEGIC OBJECTIVES

Table 4: Strategic Objectives for Goal 1

1.1	Strengthen DOL's key programs and operations through our work and other deliverables.
1.2	Improve our work processes to drive the timely completion of relevant and impactful audits and investigations.
1.3	Employ a risk-based approach to prioritize and target audits and investigations on areas that provide the greatest impact and address the highest risks.
1.4	Timely articulate to our external stakeholders the relevance, impact, and value of our work in each product.
1.5	Proactively engage our key stakeholders to seek their input for identifying potential audits and investigations.

GOAL 1 SELECTED ACCOMPLISHMENTS – OFFICE OF AUDIT

- OIG determined that the Employment and Training Administration violated the bona fide needs rule by using \$22.1 million of Job Corps funds for program years 2012 and 2013 for services actually provided in program years 2013 and 2014.⁹
- OIG determined the Mine Safety and Health Administration's oversight of emergency response plans (ERP) was insufficient in that all the plans the OIG reviewed contained inaccuracies or omissions, placing miners at unnecessarily increased risk during an emergency. During the audit, OIG staff dialed 779 emergency contact phone numbers listed in a sample of 51 ERPs and identified 177 that were either disconnected or belonged to someone other than the party listed. The OIG deemed another 83 numbers "undeterminable" because either no one answered our multiple calls or a generic voicemail message played that did not identify the owner of the number, and found all 116 of the ERPs OIG staff reviewed lacked one or more required elements.¹⁰
- OIG determined the Employee Benefits Security Administration's (EBSA) ability to protect the estimated 79 million plan participants in self-insured health plans from

⁹ Report Number 26-17-002-03-370, *ETA Violated the Bona Fide Needs Rule and the Antideficiency Act*, (September 21, 2017) found at www.oig.dol.gov/public/reports/oa/2017/26-17-002-03-370.pdf

¹⁰ Report Number 05-17-002-06-001, *MSHA Needs to Provide Better Oversight of Emergency Response Plans*, (March 31, 2017) found at www.oig.dol.gov/public/reports/oa/2017/05-17-002-06-001.pdf

improper denials of health claims, due to a lack of knowledge of claim denials in the plans under its oversight.¹¹

GOAL 1 SELECTED ACCOMPLISHMENTS – JOINT OFFICE OF AUDIT AND OFFICE OF INVESTIGATIONS

- In response to two student homicides at Job Corps centers in 2015, and as follow-on to a prior audit, the OIG's Office of Audit and Office of Investigations conducted a joint review of Job Corps' actions in response to potentially serious criminal misconduct, center physical security, and efforts to mitigate center violence and other serious crimes. Our analysis of data from 12 centers found 11 centers did not contact law enforcement for 42 percent of potentially serious criminal misconduct incidents (146 of 348). At all 12 centers, we identified significant incidents that had not been reported to Job Corps OIG also found Job Corps required pre-employment background checks for only a few center positions.¹²

GOAL 1 SELECTED ACCOMPLISHMENTS – OFFICE OF INVESTIGATIONS

- A union business agent was sentenced to 41 months in prison and ordered to pay more than \$1 million in restitution to International Longshoremen's Association Local 970 for unlawfully withdrawing dues payments and new member initiation fees. Robert Smith III, of Virginia Beach, was sentenced to 41 months in prison and ordered to pay more than \$1 million in restitution to International Longshoremen's Association (ILA) Local 970. Smith was the business agent and financial secretary for Local 970 from October 2002 until April 2016, when he resigned amid an ILA internal audit, which uncovered that Smith had been operating a secret bank account to divert union funds for his personal use.¹³
- Executives of a physical therapy company in Texas were convicted of health care fraud, and other charges, for their roles in a scheme to bill DOL's Office of Workers' Compensation Programs (OWCP) more than \$9.5 million for services that were not provided. Jeffrey Rose, chief executive officer of Team Work Ready (TWR), Pamela Rose, chief financial officer, and Frankie Sanders, vice president of clinic operations were convicted of conspiracy to commit health care fraud, health care fraud, and wire fraud, for their roles in a scheme to bill OWCP more than \$9.5 million for physical therapy services that they knew TWR had not provided. In addition, the jury convicted Jeffrey and Pamela Rose on money laundering charges for attempting to hide \$700,000 in illicit proceeds by moving the money into accounts of various shell companies they controlled. Subsequently, the same jury heard evidence on forfeiture matters and

¹¹ Report Number 05-17-001-12-121, *EBSA Did Not Have the Ability to Protect the Estimated 79 Million Plan Participants in Self-Insured Health Plans from Improper Denials of Health Claims*, (November 18, 2016) found at www.oig.dol.gov/public/reports/oa/2017/05-17-001-12-121.pdf

¹² Report Number 26-17-001-03-370, *Review of Job Corps Center Safety and Security*, (March 31, 2017) found at www.oig.dol.gov/public/reports/oa/2017/26-17-001-03-370.pdf

¹³ This was a joint investigation with Office of Labor Management Standards, the Federal Bureau of Investigation, and the Norfolk Police Department. *United States v. Robert Smith* (E.D. Virginia).

returned a special verdict forfeiting more than \$220,000 of assets belonging to the defendants, including bank accounts and real property.¹⁴

Subsequently, Sanders and Rose were sentenced to 300 months and 120 months in prison, respectively, and were ordered to pay more than \$26 million in restitution to OWCP for Federal Employees' Compensation Act Program (FECA) fraud for billing fraudulent claims and another individual, Mark Farias, pled guilty to charges that he paid kickbacks, committed health care fraud, and laundered money in furtherance of a scheme to defraud OWCP.¹⁵

- A Chicago-area woman was sentenced to 48 months in prison and ordered to pay more than \$6.8 million in restitution for an unemployment insurance (UI) fraud scheme. Leticia Garcia was sentenced to 48 months in prison and ordered to pay more than \$6.8 million in restitution to the Illinois Department of Employment Security (IDES) for perpetrating a large-scale UI fraud scheme against IDES. Garcia assisted hundreds of individuals, primarily foreign nationals, in preparing and filing UI claims that Garcia knew contained false information, such as invalid Social Security numbers, false assertions of U.S. citizenship, and dependents who did not exist. As a result of the fraudulent claims, IDES paid out nearly \$7 million to hundreds of ineligible UI claimants.¹⁶

¹⁴ This was a joint investigation with the U.S. Postal Service–OIG, the Internal Revenue Service CID, U.S. Department of Veterans Affairs–OIG, and U.S. Department of Homeland Security–OIG. *United States v. Rose* (S.D. Texas).

¹⁵ This is a joint investigation with the U.S. Postal Service (USPS)–OIG, U.S. Department of Veterans Affairs (VA)–OIG, U.S. Department of Homeland Security (DHS)–OIG, and Internal Revenue Service–Criminal Investigation (IRS-CI). *United States v. Rose*, *United States v. Mark Edward Farias* (S.D. Texas).

¹⁶ This was a joint investigation with Department of Homeland Security–Homeland Security Investigations (DHS-HSI). *United States v. Leticia Garcia* (N.D. Illinois).

GOAL 1 PERFORMANCE RESULTS

Table 5: Performance Results for Goal 1

Strategic Objective	FY 2017 Performance Indicators	Responsible Component ¹⁷	FY 2016 Targets	FY 2016 Results	FY 2017 Targets	FY 2017 Results	FY 2018 Targets	FY 2019 Targets
1.1	Percentage of audit recommendations accepted by DOL within 12-months of issuance of final audit report.	OA	90%	87%	90%	87%	90%	90%
	Percentage of discretionary audits with audit recommendations that address the most significant challenges and risks impacting DOL's mission.	OA	50%	84%	70%	91%	70%	70%
	Percentage of investigations closed in the fiscal year that resulted in a criminal, civil, administrative action, or monetary outcome.	OI	70%	53%	70%	69%	60%	60%
	Percentage of formal Congressional requests acknowledged within 5 business days.	OCPR	90%	100%	90%	100%	90%	90%
	Percentage of simple Freedom of Information Act (FOIA) and Privacy Act requests for OIG records completed within 20 working days.	OLS	90%	83%	90%	94%	90%	90%
	Percentage of complex FOIA and Privacy Act requests that are acknowledged in writing while providing an anticipated completion date to the requestor within 20 working days.	OLS	90%	80%	90%	96%	90%	90%

¹⁷ OA = Office of Audit, OCPR = Office of Congressional and Public Relations, OI = Office of Investigations, OLS = Office of Legal Services, OMAP = Office of Management and Policy, and OSI = Office of Special Investigations.

Strategic Objective	FY 2017 Performance Indicators	Responsible Component	FY 2016 Targets	FY 2016 Results	FY 2017 Targets	FY 2017 Results	FY 2018 Targets	FY 2019 Targets
1.2	Percentage of audits completed within 12 months of initiation, or as prescribed by OIG leadership.	OA	70%	59%	70%	61%	70%	70%
	Percentage of draft audit reports approved by the Assistant Inspector General within 90 days following audit field work.	OA	75%	71%	75%	68%	75%	75%
	Percentage of referrals from the OWCP Integrity Unit, the WHD and the OFLC that are reviewed, evaluated, and closed to a final disposition or converted to an investigation within 90 days of receipt by the investigating field office.	OI	New FY 2018 Measure				80%	80%
	Percentage of allegations that are either closed or converted to full investigations within 90 days of receipt.	OSI	70%	95%	88%	99%	88%	88%
	Percentage of Tier 1 investigations completed (referred for prosecution / administrative / civil proceedings) within 24 months of case opening.	OI	New FY 2018 Measure				50%	50%
	Percentage of Tier 2 investigations completed (referred for prosecution / administrative / civil proceedings) within 12 months of case opening.	OI	New FY 2018 Measure				60%	60%
	Percentage of investigations completed (referred for prosecution / administrative / civil proceedings, or closed) within 12 months of case opening.	OSI	70%	68%	70%	98%	70%	70%

Strategic Objective	FY 2017 Performance Indicators	Responsible Component	FY 2016 Targets	FY 2016 Results	FY 2017 Targets	FY 2017 Results	FY 2018 Targets	FY 2019 Targets	
1.2 continued	Percentage of all Hotline complaints that are reviewed and logged within 10 business days from receipt.	OLS	90%	87%	90%	95%	90%	90%	
	Percentage of all Hotline complaints that are acknowledged in writing, as well as reviewed and referred to the appropriate OIG Office or DOL component within 30 working days.	OLS	90%	98%	90%	84%	90%	90%	
	Percentage of subpoena requests reviewed by OLS within 3 business days.	OLS	New FY 2018 Measure					90%	90%
	Issue a bi-annual OMAP Customer Satisfaction Survey to seek stakeholder feedback and assess the effectiveness of mission support activities within the OIG. ¹⁸	OMAP	New FY 2017 Measure		30-Sep	24-Aug	N/A	30-Sep	
	Percentage of mission support improvement activities that are completed based on OMAP's bi-annual customer satisfaction survey results action plan.	OMAP	New FY 2018 Measure					60%	N/A
	Number of internal policies, including Inspector General Directives, that are updated to reflect current law, regulation, and operational mission requirements.	OIG	New FY 2018 Measure					17	17

¹⁸ OIG introduced this KPI as an annual metric; however for FYs 2018 forward, OIG will measure this KPI on a bi-annual basis.

Strategic Objective	FY 2017 Performance Indicators	Responsible Component	FY 2016 Targets	FY 2016 Results	FY 2017 Targets	FY 2017 Results	FY 2018 Targets	FY 2019 Targets
1.2 continued	Percentage of Complaints referred from the Complaint Analysis Office (CAO) that are evaluated and closed to a final disposition or converted to an investigation within 180 days of receipt by the investigating field office.	OI	New FY 2018 Measure				80%	80%
	Percentage of OIG new hires trained on employee records management requirements within 45 days of their onboarding with the OIG.	OLS	New FY 2018 Measure				90%	90%
	Percentage of separating OIG employees who received a Records Management Exit Check List within 72 hours of the Records Management Office receiving notice of the employee's impending separation.	OLS	New FY 2018 Measure				90%	90%
1.3	Percentage of audit products resulting from discretionary audits that address significant risks impacting DOL's missions.	OA	75%	75%	75%	88%	75%	75%
	Adopt and build on the existing risk-based annual workplan development process within the TeamRisk module of TeamMate.	OA	New FY 2018 Measure				31-Aug	31-Aug
	Percentage of new investigative cases that are considered Tier 1.	OI	New FY 2018 Measure				50%	50%
	Percentage of new investigative cases that are considered Tier 1.	OSI	New FY 2018 Measure				75%	75%

Strategic Objective	FY 2017 Performance Indicators	Responsible Component	FY 2016 Targets	FY 2016 Results	FY 2017 Targets	FY 2017 Results	FY 2018 Targets	FY 2019 Targets
1.4	Percentage of congressionally-mandated OIG reports, including the Semiannual Reports to Congress, provided to stakeholders within statutory or agreed upon timeframes.	OCPR	100%	100%	100%	100%	100%	100%
	Percentage of relevant audit reports provided to cognizant Congressional committees within one business day, and made available to the public within two business days after receiving final, approved versions.	OCPR	90%	100%	90%	100%	90%	90%
1.5	Number of meetings or focus groups with DOL or OIG community regarding areas of potential audits.	OA	32	31	32	32	32	32
	Number of outreach, liaison, and educational sessions with internal and external stakeholders to identify areas of high risk that could lead to potential investigations.	OI	370	370	370	607	370	370
	Number of briefings and consultations per year offered to cognizant Senate and House committees regarding OIG work priorities and areas of Congressional interest.	OCPR	12	13	12	15	12	12

GOAL 1 PERFORMANCE IMPROVEMENT PLAN**Table 6: Performance Improvement Plan for Goal 1 KPIs Not Met**

Strategic Objective	FY 2017 Performance Indicators	Responsible Component	FY 2017 Targets	FY 2017 Results	Performance Improvement Plan
1.1	Percentage of audit recommendations accepted by DOL within 12-months of issuance of final audit report.	OA	90%	87%	OA is currently examining its audit processes to identify strategies to increase acceptance rate.
	Percentage of investigations closed in the fiscal year that resulted in a criminal, civil, administrative action, or monetary outcome.	OI	70%	69%	Starting FY 2018, OI adjusted this target in order to promote investigating matters that, while less likely to bring about a positive outcome, result in significant measurable quantitative results when they do have a positive outcome.
1.2	Percentage of audits completed within 12 months of initiation, or as prescribed by OIG leadership.	OA	70%	61%	OA is developing an action plan that highlights specific steps to streamline the audit development processes. OA will complete the action plan by March 2018, and will implement it during the remainder of FY 2018.
	Percentage of draft audit reports approved by the Assistant Inspector General within 90 days following audit field work.	OA	75%	68%	OA is developing an action plan that highlights specific steps to streamline the audit development and approval processes. OA will complete the action plan by March 2018, and will implement it during the remainder of FY 2018.
	Percentage of all Hotline complaints that are acknowledged in writing, as well as reviewed and referred to the appropriate OIG Office or DOL component within 30 working days.	OLS	90%	84%	OLS is looking to further automate the hotline process in order to identify and correct process delays in a real-time basis.

STRATEGIC GOAL 2—FOSTER AN INTERNAL OIG CULTURE THAT DRIVES HIGH PERFORMANCE AND ENGAGEMENT

STRATEGIC GOAL 2

Foster an internal OIG culture that drives high performance and engagement

The OIG recognizes that a high-performing culture relies on a highly engaged workforce. The OIG is focusing on developing a culture that enables a high-performing, optimized, and mission-driven workforce, by providing developmental tools that OIG staff and leaders need to grow and succeed, and by creating an environment of openness, engagement, and collaboration. This important investment creates a workplace culture and environment that encourages enhanced employee engagement, increased employee morale and satisfaction, continuous learning and development, and shared institutional knowledge. Collectively, these efforts leverage principles of organizational development focusing on activities that will impact not only OIG staff but indirectly, all OIG stakeholders and taxpayers.

GOAL 2 STRATEGIC OBJECTIVES

Table 7: Strategic Objectives for Goal 2

2.1	Create a culture of civility, respect, and inclusiveness at all levels by fostering transparency and timely communications.
2.2	Meet current and future OIG mission needs through continuous development and professional growth.
2.3	Enhance OIG human capital by developing and implementing strategic recruitment, succession, and retention plans.
2.4	Increase management and leadership effectiveness, including seeking staff feedback.

GOAL 2 SELECTED EXAMPLES

- In FY 2017, the OIG conducted an OIG-component and OIG-wide analysis of the *Federal Employee Viewpoint Survey* (FEVS) for three fiscal years, created OIG component-specific FEVS Action Plans to launch in FY 2018, as well as established working groups for themes identified through FEVS analysis.
- In 2017 the OIG achieved a 7 percent increase in the U.S. Office of Personnel Management's (OPM) index for Employee Engagement¹⁹, and a 6.6 percent increase in the Partnership for Public Service's Best Places to Work index score (when compared to 2016 scores).
- Issued the OIG Diversity and Inclusion Strategic Plan for FY 2018 – 2022.²⁰
- The dynamic needs of a 21st century organization require employees to be flexible, collaborative, innovative, and skilled. To meet these requirements, the OIG placed emphasis on training and development. The OIG emphasized continuous growth and development to motivate employees and supervisors to chart a path to develop a broad spectrum of competencies, knowledge, and skills.

¹⁹ The number of OIG survey participants between 2016 and 2017 decreased.

²⁰ Executive Order (EO) 13583 directs executive departments and agencies to develop and implement a comprehensive, integrated, and strategic focus on diversity and inclusion as a key component of their human resources strategies.

GOAL 2 PERFORMANCE RESULTS

Table 8: Performance Results for Goal 2

Strategic Objective	FY 2017 Performance Indicators	Responsible Component	FY 2016 Targets	FY 2016 Results	FY 2017 Targets	FY 2017 Results	FY 2018 Targets	FY 2019 Targets
2.1	Complete component-specific EVS action plan to increase employee engagement index scores in 2018.	OIG	New FY 2018 Measure				28-Feb	N/A
2.2	Percentage of both employees and supervisors participating in the OIG mentoring program.	OMAP	15%	13%	15%	12%	15%	15%
	Percentage of OIG training funds obligated.	OIG	95%	94%	95%	95.5%	90%	90%
	Percentage of supervisors who initiate conversations with at least 90 percent of the employees who report to them regarding developmental opportunities for the employees.	OIG	New FY 2018 Measure				95%	95%
2.3	Percentage of Non-SES/SL vacancies filled within 90 days from posting date to selection.	OMAP	90%	61%	90%	97%	90%	90%
	Percentage of departing employees who complete exit interviews.	OMBUDSMAN	65%	18%	65%	17%	65%	65%
2.4	Percentage of OIG supervisors with at least 6 months of supervisory tenure who complete a 360 degree evaluation or an online survey to gather feedback from staff.	OIG	New FY 2018 Measure				80%	80%

Strategic Objective	FY 2017 Performance Indicators	Responsible Component	FY 2016 Targets	FY 2016 Results	FY 2017 Targets	FY 2017 Results	FY 2018 Targets	FY 2019 Targets
2.4 continued	Percentage of OIG supervisors that take supervisory training.	OIG					95%	95%
	Percentage of OIG GS-14, GS-15 and Senior Executives that take Treasury Executive Institute (TEI)'s or other IG-approved training provider's leadership development courses.	OIG					75%	75%

GOAL 2 PERFORMANCE IMPROVEMENT PLAN

Table 9: Performance Improvement Plan for Goal 2 KPIs Not Met

Strategic Objective	FY 2017 Performance Indicators	Responsible Component	FY 2017 Targets	FY 2017 Results	Performance Improvement Plan
2.2	Percentage of both employees and supervisors participating in the OIG mentoring program.	OMAP	15%	12%	OMAP has recruited a new Training Officer who is currently assessing best practices to reinstate the mentoring program and increase participation.
2.3	Percentage of departing employees who complete exit interviews.	OMBUDSMAN	65%	17%	The Ombudsman will develop Standard Operating Procedures for the Exit Interview. The Office of Human Resources will notify the Ombudsman when an employee leaves the OIG. The employee will receive an email asking them to participate in taking the exit interview. The exit interview will be offered electronically or face-to-face when requested. The electric version of the exit interview will be located on the OIG intranet. All data collected using Survey Monkey; the data will be brief quarterly to the OIG Senior Leadership.

STRATEGIC GOAL 3—PROMOTE RESPONSIBLE STEWARDSHIP OF OIG FINANCIAL AND NON- FINANCIAL RESOURCES

STRATEGIC GOAL 3

Promote responsible stewardship of OIG financial and non-financial resources

The OIG strives for organizational excellence by improving efficiency and effectiveness of all activities. This includes: engaging in robust planning to anticipate future mission needs and maximize the use of limited resources; developing sound budget forecasts for audit and investigative activities; improving performance; increasing accountability; and reducing costs. The OIG leverages technology to enhance audit, investigative, and business processes in an effort to ensure the most effective use of limited resources. Good stewardship of OIG resources further enables the achievement of Goal 3, as well as other OIG strategic objectives and priorities. This allows the OIG to effectively prioritize critical work such as: auditing DOL financial statements, conducting work under the Federal Information Security Management Act (FISMA) to ensure that DOL information technology (IT) systems are secure, identifying DOL's Top Management and Performance Challenges, and helping ensure that DOL administrative processes comply with various regulations and laws.

GOAL 3 STRATEGIC OBJECTIVES

Table 10: Strategic Objectives for Goal 3

3.1	Develop an OIG budget based on strategic mission priorities, areas of risk, operational needs, and cost effectiveness.
3.2	Ensure proper oversight of resources through effective internal controls.
3.3	Improve mission achievement and increase efficiency through technology.
3.4	Enhance the effectiveness, quality, and customer service of mission support activities.

GOAL 3 SELECTED EXAMPLES

- Issued the OIG Framework for ERM, which represents an important step in OIG's continued evolution and growth as it will enhance our ability to create public value while identifying opportunities and threats to the achievement of our mission and objectives.²¹
- Developed the *OIG Support Portal* to provide a centralized customer support tool that enables OIG employees to submit requests for support and services provided by the Office of Management and Policy, including Human Resources, Administrative Services, Procurement, and information technology (IT) support. The OIG Support Portal will launch in FY 2018 using a phased-in approach.

²¹ For more information on the OIG's Framework for ERM, please visit our website at <https://www.oig.dol.gov/public/OIG%20DOL%20ERM%20Framework.pdf>

GOAL 3 PERFORMANCE RESULTS

Table 11: Performance Results for Goal 3

Strategic Objective	FY 2017 Performance Indicators	Responsible Component	FY 2016 Targets	FY 2016 Results	FY 2017 Targets	FY 2017 Results	FY 2018 Targets	FY 2019 Targets
3.1	Percentage of audit projects that do not exceed planned hours.	OA	80%	57%	80%	83%	80%	80%
	Percentage of employee hours charged to audit activities compared to administrative time.	OA	75%	74%	75%	79%	75%	75%
	Percentage of employee hours charged to investigative activities compared to administrative time.	OI	90%	91%	90%	93%	90%	90%
	Percentage of employee hours charged to investigative activities compared to administrative time.	OSI	75%	94%	95%	63%	75%	75%
3.2	Develop action plans to mitigate highest organizational risks as identified in OIG's Enterprise Risk Management process.	OIG	New FY 2018 Measure				30-Sep	30-Sep
	Conduct internal control reviews required by OMB Circular A-123 and submit all reports within OMB and DOL prescribed timeframes, and all remedial action plans when control deficiencies are identified within 60 days of the report finding.	OMAP	New FY 2018 Measure				30-Sep	30-Sep

Strategic Objective	FY 2017 Performance Indicators	Responsible Component	FY 2016 Targets	FY 2016 Results	FY 2017 Targets	FY 2017 Results	FY 2018 Targets	FY 2019 Targets
3.3	Percentage availability during business hours of internal IT network resources such as applications, networks, email, e-OIG, remote access and servers. ²²	OMAP	90%	100%	Retired	Retired	90%	90%
	Percentage of audit projects that leverage data analytics to maximize the impact of the audit.	OA	New FY 2018 Measure				25%	25%
	Percentage of investigative requests for investigative data analytics completed within 30 days of the service request.	OI	New FY 2018 Measure				85%	85%
	Percentage of investigative requests for forensic acquisitions completed, processed and available for examination within 30 days of the forensic acquisition.	OI	New FY 2018 Measure				85%	85%
	Percentage of investigative requests for forensic examinations completed within 60 days of the service request.	OI	New FY 2018 Measure				85%	85%
	Percentage of availability of the Digital Forensic Network and its services by ensuring security protocols, redundancy, data/system backups, and load balancing are enforced through regularly scheduled maintenance.	OI	New FY 2018 Measure				85%	85%

²² OIG retired this KPI in FY 2017; however, OIG reinstated this KPI for FYs 2018 and 2019.

Strategic Objective	FY 2017 Performance Indicators	Responsible Component	FY 2016 Targets	FY 2016 Results	FY 2017 Targets	FY 2017 Results	FY 2018 Targets	FY 2019 Targets
3.4	Percentage of audit projects that do not exceed planned travel costs.	OA	80%	83%	80%	83%	80%	80%
	Percentage of quarterly executive budget review sessions conducted to ensure proper budget planning and expenditures tracking, including human capital, procurement, facilities and IT activities.	OMAP	New FY 2017 Measure		100%	100%	100%	100%
	Ensure at least 90 percent integrity and accuracy of acquisition data submitted to the Federal Procurement Data System (FPDS) through the results of the FPDS system.	OMAP	New FY 2018 Measure				100%	100%
	OIG Financial resource utilization rate in accordance with detailed budget allocation.	OIG	New FY 2018 Measure				95%	95%

GOAL 3 PERFORMANCE IMPROVEMENT PLAN

Table 12: Performance Improvement Plan for Goal 3 KPIs Not Met

Strategic Objective	FY 2017 Performance Indicators	Responsible Component	FY 2017 Targets	FY 2017 Results	Performance Improvement Plan
3.1	Percentage of employee hours charged to investigative activities compared to administrative time.		95%	63%	OSI is fine-tuning the collection of workload data in its new case management system. This includes reviewing historical data and tracking employee utilization based on revised definitions for investigative versus administrative activities.

STRATEGIC PLANNING AND ACCOUNTABILITY

OIG's FY 2018 – 2022 Strategic Plan outlines the OIG's vision for the future and provides a clear, unified, and enduring direction for all of our activities. This plan is the foundation on which we will build and measure success of our activities, and we will use this plan to align resources to accomplish our goals in the best way possible.²³

The OIG measures its success in achieving its strategic goals in terms of how well OIG work products effect positive change. Positive change includes improving program effectiveness at DOL, reducing vulnerabilities that make programs susceptible to abuse, achieving savings, reducing criminal activity in the form of fraud and labor racketeering, and optimizing OIG's organizational performance, including the use of resources.

The OIG implemented a continuous cycle of OIG organizational performance, Enterprise Risk Management (ERM), and other improvement activities that promote strategic management and accountability, including:

- Transitioning to a new measurement strategy and performance framework that leverages KPIs to measure organizational performance against strategic objectives;
- Evaluating progress towards achieving performance plans;
- Leveraging verification and validation techniques to enhance the accuracy and quality of organizational results; and
- Reporting performance information to OIG leaders and external stakeholders.

ENTERPRISE RISK MANAGEMENT

The adoption of ERM has grown in both the private and public sector over the years as organizations look to build resiliency and to adapt to change most effectively. ERM refers to the culture, capabilities, and practices that organizations rely on to manage risk in creating, preserving, and realizing public value. The ERM approach is an important step in OIG's continued evolution and growth, as it will enhance our ability to create public value while identifying opportunities and threats to the achievement of our mission and objectives.²⁴ By implementing ERM capabilities coordinated with strategic planning, performance management, and internal controls processes, we expect to improve mission delivery, reduce costs, and focus corrective actions towards key risks.

²³ The OIG develops strategic plans and priorities through consultations with its stakeholders, administration officials, and Congress. For more information on the OIG's FY 2018 – 2022 Strategic Plan, please visit our website at <https://www.oig.dol.gov/>

²⁴ For more information on the OIG's Framework for ERM, please visit our website at <https://www.oig.dol.gov/public/OIG%20DOL%20ERM%20Framework.pdf>

MEASUREMENT AND VALIDATION OF OIG PERFORMANCE AND PROGRESS

The OIG monitors and evaluates performance toward its plans and commitments using ongoing, periodic, and one-time assessments, through which OIG senior leadership identifies issues, measures OIG component-specific and overall organizational health, and provides appropriate data and evidence to the Inspector General, Deputy Inspector General, the Chief Performance and Risk Management Officer, and AIGs. The OIG uses these assessments, combined with explanations of the ratings and sources provided by the AIGs, to review and validate each rating.

As we continue to optimize OIG’s measurement strategy, beginning in FY 2018, the OIG will internally evaluate progress towards achieving its annual performance measures each quarter. These reviews will leverage a traffic light rating system—green, yellow, and red color ratings—and will integrate key activities such as priority goals and risk mitigation activities.

VERIFICATION AND VALIDATION

Verification and validation of performance and progress assessments include the following:

Table 13: OIG Verification and Validation Activities

Activity	Description
Weekly Significant Activities Reports	<p>Both the OA and OI leverage weekly significant activities reports provided to management and leadership for internal tracking of activities.</p> <p>OMAP provides weekly significant activity reports outlining significant budgetary, staffing, and operational issues. Senior leadership regularly reviews activities reported.</p>
Stakeholder Outreach and Engagement	<p>Staff from OCPR document the number of congressional meetings and briefings, and other presentations and speeches for key mission areas, which OCPR management reviews and reports.</p> <p>OIG components provide travel and training data based upon selected time and effort reporting software (TeamTec for OA/IMIS for OI) and financial data reports. Both OA and OI track stakeholder outreach and engagement activities, and senior leadership regularly reviews activities reported.</p> <p>OMAP validates financial information.</p>
OA Functions	<p>OA leverages the TeamMate suite of modular applications for staff management, data processing, evidence collection, reference, and reporting; and to meet GAO’s Government Auditing Standards (“Yellow Book”), peer review needs, and records retention requirements. OA management has ready visibility into all TeamMate project files, and regularly reviews work completed and reports produced by staff. OA management reports aggregate data for sharing with senior leadership and making critical decisions in the time and effort placed into various OA functions.</p> <p>For risk assessments and management planning, OA uses the Top Management and Performance Challenges reported annually in the Agency Financial Report, significant concerns reported in Semiannual Reports to Congress, and risk assessments of major DOL program areas. For audit resolution and post-report tracking, OA uses the Audit Resolution and Closure Tracking System.</p>

Activity (cont'd)	Description (cont'd)
OI Functions	OI leverages data housed and reported from their Labor OIG Case Activity Tracking system, LOCATS, which OI management analyzes and reviews on a regular basis. OI investigations are prioritized based on documented criteria which includes two categories (Tier 1 and Tier 2). OI management and OIG senior officials also validate investigative priorities, and selected statistics are included in OIG's Semiannual Report to Congress.
OMAP Functions	OMAP leverages a variety of data and reports housed in the core financial system, human resource tracking databases, and centralized procurement systems. OMAP uses these sources to ensure that OIG spending is in alignment with its operating plan, to ensure compliance with the Anti-deficiency Act, and to recommend operational adjustments based on available funding and staffing levels.
OIG Quarterly Performance ** NEW	Beginning in FY 2018, the OIG will internally evaluate progress towards achieving its annual performance measures on a traffic light rating system—green, yellow, and red color ratings—and provide summary information of these quarterly results in future APRs.

CONCLUSION

DOL plays a vital role in the nation's economy and in the lives of American workers and retirees.

The OIG contributed significantly towards the achievement of DOL's mission and goals through improved efficiency, effectiveness, and integrity of DOL programs and operations, reduced vulnerabilities, and identified cost savings. The results for FY 2017 continue to demonstrate the OIG's commitment to the American people, DOL and Congress by providing independent oversight through our auditing and investigative efforts, and by combatting the influence of labor racketeering in the workforce.

The OIG is a performance-based organization committed to managing towards specific, measurable goals derived from the OIG's mission, using performance data to continually improve operations, as well as continuing to cultivate a culture of engagement that values our employees.

Enhancing the OIG's internal capabilities and practices to proactively manage risks and create public value are of critical importance, and the OIG plans to leverage emerging technologies, such as predictive data analytics, to transform the way the OIG initiates and conducts investigations and audits, focusing on high-impact issues, including existing and emerging risks facing DOL.

APPENDIX A – STATUTORY RESPONSIBILITIES AND PROFESSIONAL STANDARDS

STATUTORY RESPONSIBILITIES, REGULATORY POLICIES, AND PROFESSIONAL STANDARDS

The OIG complies with various laws and their implementing regulations, instructions or information provided to agencies by OMB, as well as federal law enforcement and auditing policies, guidance, and professional standards.²⁵ The following are some of the laws and professional standards with provisions affecting the OIG's mission and work:

STATUTORY RESPONSIBILITIES

Table 14: Statutory Responsibilities

Legislation	Requirements
Inspector General Act of 1978, as amended	The IG Act established OIGs across the executive branch to conduct audits and investigations; to promote economy, efficiency, and effectiveness; and to prevent waste, fraud, and abuse. Among other things, the Act requires the Inspector General to prepare and submit to the Secretary of Labor semiannual reports summarizing our activities for the preceding six-month period, which the Secretary is required to transmit to Congress within thirty days. The OIG follows the Attorney General's Guidelines for Offices of Inspector General with Statutory Law Enforcement Authority. ²⁶
Federal Managers' Financial Integrity Act of 1982	Requires Executive agencies to establish internal accounting and administrative controls which include standards to ensure the prompt resolution of all audit findings; take corresponding corrective actions, and report annually on its evaluation of such controls.
Chief Financial Officers Act of 1990	Requires Inspectors General to annually submit to Congress, the Director of OMB, and the head of the agency an audited financial statement for the preceding fiscal year covering all account associated activities of the agency.
Government Performance and Results Act of 1993	Requires the assessment of the internal control environment over DOL's performance measures.
Government Management Reform Act of 1994	Requires an assessment and evaluation of the 1) reliability of DOL's performance data and 2) extent to which DOL's performance plan meaningfully describes its planned and actual performance.
Federal Financial Management Improvement Act of 1996	Requires the Inspector General to evaluate DOL's financial systems compliance with federal standards.
Reports Consolidation Act of 2000	Requires the Inspector General to provide a summary and assessment of the most serious management and performance challenges facing federal agencies and their progress in addressing them.
Federal Information Security Management Act of 2002	Requires the Inspector General to evaluate the effectiveness of DOL's overall information security program and practices.
Digital Accountability and Transparency Act of 2014	Requires detailed disclosure on agency websites of funds made available to an agency, and amounts expended. Requires the Inspector General to (1) review a statistically valid sampling of the spending data submitted under this Act by DOL; and (2) submit to Congress and make publicly available a report assessing the completeness, timeliness, quality, and accuracy of the data sampled and the implementation and use of data standards by DOL.

²⁵ For more information on Inspectors General in federal government, please visit the website of the Council of Inspectors General on Integrity and Efficiency (CIGIE) at: <https://www.ignet.gov/> and <https://www.oversight.gov/>

²⁶ These guidelines are required by section 6(e)(4) of the Inspector General Act of 1978, as amended, and govern the exercise of law enforcement authorities for those OIGs that have been granted statutory law enforcement authorities pursuant to that Act.

Legislation (cont'd)	Requirements (cont'd)
<p>Improper Payments Information Act of 2002 (IPIA), as amended by the Improper Payments Elimination and Recovery Act of 2010 and the Improper Payments Elimination and Recovery Improvement Act of 2012, including Executive Order 13520</p>	<p>Requires agencies to conduct a risk assessment and identify programs having a significant risk of improper payments, as well as develop corrective action plans for reducing estimated improper payments based on root causes identified. In addition, requires agencies to report, on a quarterly basis, (1) the total amount of high-dollar overpayments made by the agency, (2) any actions the agency has taken or plans to take to recover high-dollar overpayments, and (3) any actions the agency will make to prevent overpayments from occurring in the future.</p> <p>Requires the Inspector General to review the reports provided by the agencies. The Inspector General shall assess the level of risk associated with the applicable programs, determine the extent of oversight warranted, and provide the agency head with recommendations. The Inspector General will determine whether the agencies complied with IPIA, as amended, and may also evaluate the accuracy and completeness of reporting and performance in reducing and recapturing improper payments.</p>
<p>Death in Custody Reporting Act (DCRA) of 2013</p>	<p>Requires the head of each Federal law enforcement agency to report to the Attorney General on an annual basis information regarding the death of any person who is (1) detained, under arrest, or is in the process of being arrested by any officer of such Federal law enforcement agency; (2) en route to be incarcerated or detained, or is incarcerated or detained at any facility (including any immigration or juvenile facility) pursuant to a contract with such Federal law enforcement agency; or any State or local government facility used by such Federal law enforcement agency; or (3) incarcerated in any Federal correctional facility or Federal pre-trial detention facility located within the United States.</p>

REGULATORY POLICIES

Table 15: Regulatory Policies

Regulatory Policies	Requirements
<p>OMB Circular No. A-123</p>	<p>Defines management's responsibility for internal control in federal agencies. Provides guidance to Federal managers on improving the accountability and effectiveness of Federal programs and operations by establishing, assessing, correcting, and reporting on internal control.</p> <p>Provides specific requirements for assessing and reporting on controls in the federal government.</p>
<p>OMB Circular No. A-11, Part 6</p>	<p>Requires agencies are required to submit strategic plans, annual performance budgets, and annual program performance reports to the President, Congress, and OMB.</p>
<p>Special Deputation Agreement with the United States Department of Justice and the Federal Bureau of Investigation</p>	<p>Gives the OIG the authority to investigate Organized Crime/Labor Racketeering cases and labor trafficking cases.²⁷</p>

²⁷ The authority derived from the Agreement is different than, and in addition to, the authority derived from the Inspector General Act of 1978, as amended. The agreement is not public.

PROFESSIONAL STANDARDS**Table 16: Professional Standards**

Professional Standards	Requirements
GAO, Government Auditing Standards (“Yellow Book”) (“Generally Accepted Government Auditing Standards”)²⁸	Provides a framework for conducting high quality audits with competence, integrity, objectivity, and independence. Provides uniform rules and standards for federal government audits.
GAO, Standards for Internal Control in the Federal Government (“Green Book”)	Provides the standards for an effective internal control system for federal agencies. Provides the overall framework for designing, implementing, and operating an effective internal control system.
CIGIE, Quality Standards for Inspection and Evaluation (“Blue Book”)	Establishes standards for inspections and evaluations conducted by federal agencies.
CIGIE, Quality Standards for Federal Offices of Inspector General (“Silver Book”)	Provides the overall quality framework for managing, operating, and conducting the work of Offices of Inspector General.

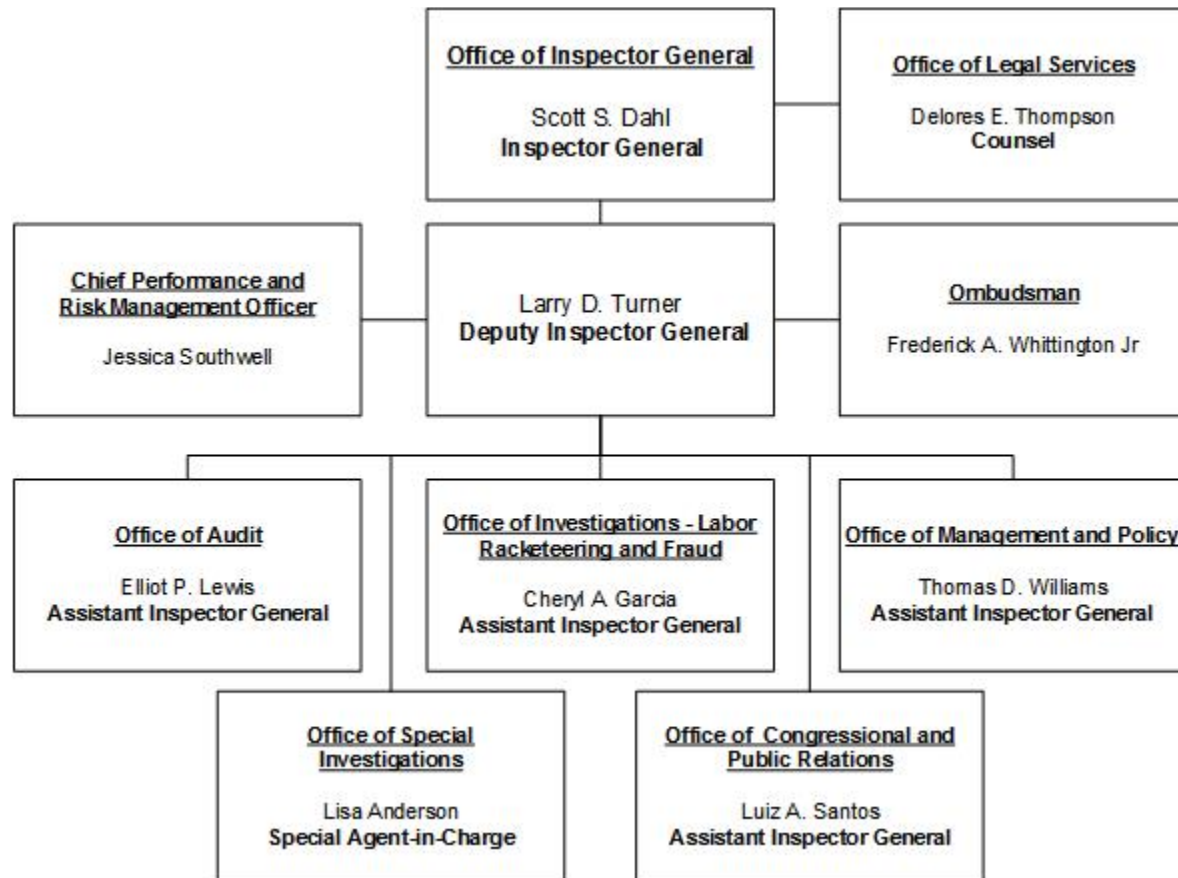
²⁸ For more information on the U.S. Government Accountability Office (GAO), please visit GAO's website at www.gao.gov/

APPENDIX B – OIG ORGANIZATIONAL STRUCTURE AND COMPONENTS

OIG ORGANIZATIONAL STRUCTURE

The OIG offices are located in Washington, D.C. (Headquarters), and several field and regional locations across the United States and Puerto Rico.

Figure 3: OIG Organization Chart



The OIG workforce is comprised of more than 300 employees with expertise in accounting, auditing, criminal justice, economics, finance, information technology, law, public and business administration, and social and physical sciences, among other fields.

OIG COMPONENTS

In carrying out its statutory responsibility to conduct and supervise audits and investigations relating to the programs and operations of the DOL, the Inspector General provides program direction over: the Office of Audit, the Office of Investigations - Labor Racketeering and Fraud, and the Executive Direction and Management function.

OFFICE OF AUDIT

The Office of Audit is responsible for conducting and supervising audits relating to the Department's programs and operations; recommending policies for activities designed to promote economy, efficiency, and effectiveness in the administration of the Department's programs and operations preventing and detecting fraud, waste, abuse, and mismanagement in these programs and operations.

OFFICE OF INVESTIGATIONS - LABOR RACKETEERING AND FRAUD

The Office of Investigations – Labor Racketeering and Fraud is responsible for conducting criminal, civil, and administrative investigations relating to violations of Federal laws, rules, or regulations as they pertain to DOL programs, grants, contracts, and operations, as well as allegations of criminal activity and serious misconduct on the part of DOL employees. In addition, the Office of Investigations has the responsibility to investigate labor racketeering and organized crime influence involving unions, employee benefit plans, and labor-management relations.

EXECUTIVE DIRECTION AND MANAGEMENT

This function provides the overall direction, planning, management, administration, and inspections necessary to independently carry out the OIG's nationwide mission, supplying centralized management of OIG headquarters and regional staff. The major components of the Executive Direction and Management function include:

OFFICE OF MANAGEMENT AND POLICY

The Office of Management and Policy provides for overall direction, planning, management, and administration necessary to carry out the nationwide responsibilities of the Office of Inspector General. This includes providing the full range of human resources, information technology, budget, procurement, and Equal Employment Opportunity services.

OFFICE OF LEGAL SERVICES

The Office of Legal Services provides legal services and guidance to the Inspector General and to all other OIG employees, and represents the OIG and its employees in litigation and related matters. The Office is also responsible for the OIG disclosure (FOIA and Privacy Act) function, as well as the OIG Complaints Analysis (Hotline) function.

OFFICE OF CONGRESSIONAL AND PUBLIC RELATIONS

The Office of Congressional and Public Relations carries out liaison functions with respect to Congress, the media, other governmental agencies, the public, and internally within the OIG; prepares statutorily mandated reports such as the Semiannual Report to Congress; and coordinates all legislative review activities.

OFFICE OF SPECIAL INVESTIGATIONS

The Office of Special Investigations conducts employee integrity investigations involving allegations of fraud and wrongdoing by OIG employees and high-level DOL employees.

CHIEF PERFORMANCE AND RISK MANAGEMENT OFFICER

Leads a variety of organizational performance and risk management activities across the OIG, working closely with the Assistant Inspector Generals and senior leadership to improve how OIG manages performance and risks to the OIG mission.

OMBUDSMAN

An independent, neutral, confidential, and informal resource to all OIG employees. Increases organizational focus on mission critical activities by helping senior leaders, managers, supervisors, and staff minimize unwarranted distractions in the workplace, increase employee engagement, and address individual and organizational matters.

APPENDIX C – MEASURES RETIRED IN FY 2018

MEASURES RETIRED IN FY 2018

The OIG retired strategic objectives and KPIs between fiscal years and APRs to enhance organizational performance and the accuracy and data quality of performance and progress.²⁹

RETIRED STRATEGIC OBJECTIVES

Table 17: Retired Strategic Objectives

FY 2017 Strategic Objective	Description
2.4	Develop and implement a formal mentoring program.
2.5	Provide each employee with an opportunity to develop an employee development plan and encourage all employees to participate.
2.6	Develop an objective exit interview process.
2.8	Ensure training funds are used to maximize employee development.
3.3	Engage in outreach to the Department, the Congress, and OMB to demonstrate the value of our work.

TARGETS AND RESULTS FOR RETIRED KPIS

For those KPIs that the OIG presented as consolidated summaries in the FY 2016 APR with OIG component detail, the OIG provides solely the detail for each OIG component below in Table 18.

Table 18: Performance Results for FY 2016 and 2017 KPIs Retired in FY 2018

FY2017 Strategic Objective	Performance Indicators	Responsible Component	FY 2016 Targets	FY 2016 Result	FY 2017 Targets	FY 2017 Results
1.2	Percentage of allegations that are either closed or converted to a full investigation within 90 days of receipt.	OI	70%	79%	65%	94%
	Percentage of Priority 1 and 2 investigations completed (referred for prosecution / administrative / civil proceedings) within 12 months of case opening.	OI	New FY 2017 Measure		50%	46%
	Percentage of Priority 3 investigations completed (referred for prosecution / administrative / civil proceedings) within 12 months of case opening.	OI	New FY 2017 Measure		75%	81%
	Percentage of OMAP IG Directives that are updated to reflect current regulations, and operational mission requirements.	OMAP	New FY 2017 Measure		50%	64%

²⁹ The OIG refined a number of other strategic objectives and removed redundant strategic objectives where appropriate. The OIG then realigned the KPIs connected to retired or removed strategic objectives to those recorded in the OIG FY 2018 – 2022 Strategic Plan, as appropriate. For a cross-reference of these realigned KPIs, please see Appendix D.

FY 2017 Strategic Objective	Performance Indicators	Responsible Component	FY 2016 Targets	FY 2016 Result	FY 2017 Targets	FY 2017 Results
1.3	Percentage completion of a new, repeatable audit workplan process that leverages the use of survey instruments to key stakeholders.	OA	New FY 2017 Measure		100%	100%
	Percentage of new cases that are considered Critical Risk (priority 1), or High Risk (priority 2).	OI	75%	88%	75%	88%
	Percentage of new investigative cases that are considered Critical Risk (priority 1), or High Risk (priority 2) due to potential impact to the DOL.	OSI	75%	71%	75%	87%
2.1	Complete an OMAP EVS action plan to increase employee engagement index scores in 2017, with a focus on increasing "Leaders Lead", "Supervisors" and "Intrinsic Work Experience" subfactors.	OMAP	New FY 2017 Measure		February 2017	February 2017
	Complete an OI EVS action plan to increase employee engagement index scores in 2017, with a focus on increasing "Leaders Lead", "Supervisors" and "Intrinsic Work Experience" subfactors.	OI	New FY 2017 Measure		February 2017	February 2017
	Complete an OA EVS action plan to increase engagement index scores in 2017, with a focus on increasing "Leaders Lead", "Supervisors" and "Intrinsic Work Experience" subfactors.	OA	New FY 2017 Measure		February 2017	February 2017
2.3	Develop a framework for an "OIG Strategic Human Capital Plan" that includes strategies for recruitment, talent development, and succession planning.	OMAP	New FY 2017 Measure		September 2017	July 2017
2.5	Percentage of auditors in compliance with mandatory professional training within prescribed timelines.	OA	100%	100%	100%	100%
	Percentage of investigators completing mandatory professional training within prescribed timelines.	OI	100%	100%	100%	100%
	Percentage of investigators completing mandatory professional training within prescribed timelines.	OSI	100%	100%	100%	100%
	Percentage of OA employees who have employee development plans.	OA	100%	100%	100%	100%
	Percentage of OI employees who have employee development plans.	OI	70%	45%	70%	78%
	Percentage of OSI employees who have employee development plans.	OSI	70%	50%	70%	75%
	Percentage of OMAP employees who have employee development plans.	OMAP	70%	0%	70%	51%
	Percentage of OLS employees who have employee development plans.	OLS	70%	70%	70%	0%
Percentage of OCPR employees who have employee development plans.	OCPR	70%	100%	70%	100%	

FY 2017 Strategic Objective	Performance Indicators	Responsible Component	FY 2016 Targets	FY 2016 Result	FY 2017 Targets	FY 2017 Results
2.7	Percentage of OMAP supervisors with at least 6 months of supervisory tenure who complete a 360 degree evaluation or an online survey to gather feedback from staff.	OMAP	100%	100%	100%	100%
	Percentage of OA supervisors with at least 6 months of supervisory tenure who complete a 360 degree evaluation or an online survey to gather feedback from staff.	OA	100%	100%	100%	100%
	Percentage of OI supervisors with at least 6 months of supervisory tenure who complete a 360 degree evaluation or an online survey to gather feedback from staff.	OI	100%	100%	100%	100%
	Percentage of OSI supervisors with at least 6 months of supervisory tenure who complete a 360 degree evaluation or an online survey to gather feedback from staff.	OSI	100%	Result Not Received	100%	0%
	Percentage of OLS supervisors with at least 6 months of supervisory tenure who complete a 360 degree evaluation or an online survey to gather feedback from staff.	OLS	100%	100%	100%	100%
	Percentage of OCPR supervisors with at least 6 months of supervisory tenure who complete a 360 degree evaluation or an online survey to gather feedback from staff.	OCPR	100%	0%	100%	100%
2.8	Percentage completion of OIG-wide mandatory on-line annual training.	OMAP	90%	100%	100%	94%
3.2	Percentage completion of planned milestones to re-engineer the Audit Work plan Development process based on a risk-informed methodology.	OA	New FY 2017 Measure		100%	100%
	Percentage completion of an OA-specific risk inventory based on OIG's ERM Framework.	OA	New FY 2017 Measure		100%	100%
	Percentage completion of an OI-specific risk inventory based on OIG's ERM Framework.	OI	New FY 2017 Measure		100%	100%
	Percentage completion of an OMAP-specific risk inventory based on OIG's ERM Framework.	OMAP	New FY 2017 Measure		100%	100%
3.4	Develop an "OIG IT Strategic Plan" that provides a roadmap to use IT strategically to optimize capabilities, adapt to change, and support initiatives that demonstrably support the OIG mission and improve IT performance.	OMAP	New FY 2017 Measure		September 2017	July 2017

APPENDIX D – MEASURES REALIGNED IN FY 2018

MEASURES REALIGNED IN FY 2018

The OIG realigned KPIs between fiscal years and APRs to enhance organizational performance and the accuracy and data quality of performance and progress.³⁰

CROSS-REFERENCE OF REALIGNED KPIs

Table 19: FY 2017 KPIs Realigned in FY 2018

FY 2017 Strategic Objective	Performance Indicator Description ³¹	FY 2018 Strategic Objective Realignment
2.4	Percentage of both employees and supervisors participating in the OIG mentoring program.	2.2
2.6	Percentage of departing employees who complete exit interviews.	2.3
2.8	Percentage of OIG training funds obligated.	2.2
3.3	Percentage of formal Congressional requests acknowledged within 5 business days.	1.1

³⁰ The OIG refined a number of strategic objectives, retired other strategic objectives, and removed redundant strategic objectives where appropriate. The OIG then realigned the KPIs connected to retired or removed strategic objectives to those recorded in the OIG FY 2018 – 2022 Strategic Plan, as appropriate, which are presented in this appendix (Appendix D). For more information on retired and removed strategic objectives and KPIs, please see Appendix C.

³¹ The OIG also refined a number of other KPIs; however, these remain consistent with the performance and progress measurements reported in FY 2016 and 2017.

OIG HOTLINE

The OIG operates a hotline to receive and process allegations of fraud, waste, and abuse concerning DOL grants, contracts, programs and operations. The OIG also addresses allegations of criminal activity and serious misconduct involving DOL employees. Moreover, the OIG has jurisdiction to investigate allegations of labor racketeering and organized crime influence in the workplace, including the misuse of union benefit plan assets or power, labor-management relations, and internal union affairs.

TO REPORT FRAUD, WASTE, OR ABUSE, PLEASE CONTACT:

Online: <https://www.oig.dol.gov/hotline.htm>

Telephone: 1-800-347-3756
202-693-6999

Fax: 202-693-7020

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