

U.S. Department of Transportation, Office of Inspector General

ORGANIZATION ASSESSMENT

FY 2019 October 1, 2018, through September 30, 2019



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A MESSAGE FROM THE INSPECTOR GENERAL



The Office of the Inspector General (OIG), Department of Transportation (DOT), is proud to conduct significant work regarding transportation safety, oversight and management for Congress, the Department, and the American public. OIG carries out this work through its statutory responsibilities under the Inspector General Act while supporting DOT's mission and strategic goals—particularly regarding its top focus, safety. We work closely

with Members of Congress, the Secretary, and senior Department officials to enhance the effectiveness and integrity of DOT programs and investigate allegations of fraud, waste, and abuse.

In fiscal year (FY) 2019, we continued to show that we are trustworthy stewards of taxpayer dollars by returning \$1.90 for every dollar we were appropriated, with a 5-year average return-on-investment of \$23 to \$1. We issued 87 audit reports with a total of 261 recommendations, including financial recommendations totaling over \$71 million. Our investigative work resulted in 67 indictments; 87 convictions; over 140 years of incarceration for convicted criminals; and over \$106 million in fines, forfeitures, restitutions, and recoveries.

We consistently evaluate and, as appropriate, update our planning and assessment mechanisms to ensure we are achieving mission outcomes and remain prepared to address new Federal initiatives and emerging issues. The following assessment of our organization, provides further details about these mechanisms, their associated outcomes, and the many important accomplishments of our committed staff in FY 2019.

Calvin L. Scovel III



About This Assessment

STATUTORY RESPONSIBILITIES

The Inspector General Act of 1978, as amended, requires Offices of Inspector General to

- conduct independent and objective audits and investigations;
- promote economy, efficiency, and effectiveness;
- prevent and detect waste, fraud, and abuse;
- review pending legislation and regulations; and
- keep Congress and the Secretary fully and currently informed.

The OIG Organization Assessment is one of three key components in our strategic planning and improvements process. We conduct this assessment at the end of the Federal fiscal year to ensure our work and results remain closely aligned with our Strategic Plan and the Department's mission as outlined by our statutory responsibilities.

OIG's Strategic Plan 2017–2021

Our 5-year strategic plan describes the goals, strategies, and performance measures for achieving our mission and maintaining the core values of OIG's work—safety, accountability, and integrity. The plan's five strategic goals provide a roadmap for our audits, investigations, stakeholder communication, and organization improvement efforts.

OIG's FY 2019 Strategic Implementation Plan

This plan, compiled in the first quarter of the fiscal year, quantifies our performance measures into specific, measurable benchmarks to evaluate our progress each year. The quantities in this plan are the result of a thorough analysis of our results data over the last several years. These benchmarks are also the basis of the results-driven performance measures in our senior executives' individual performance plans to ensure a cohesive vision of our success and path to strategic goals.

OIG's FY 2019 Organization Assessment

This fiscal year-end assessment reports our progress against the measures and benchmarks laid forth in our other strategic planning documents. We share these results with our staff as well as our external stakeholders in order to promote accountability and transparency. We will use this year's results to identify areas for improvement in the coming fiscal year.



Mission

OIG conducts audits and investigations on behalf of the American public to improve the performance and integrity of DOT's programs to ensure a safe, efficient, and effective national transportation system.

Vision

The United States will achieve a safer, more efficient, and more effective national transportation system because OIG enhances the performance and integrity of DOT's programs. OIG also will serve as a model Federal agency by maintaining a workplace culture that values its people as it continuously improves its performance.

Core Values

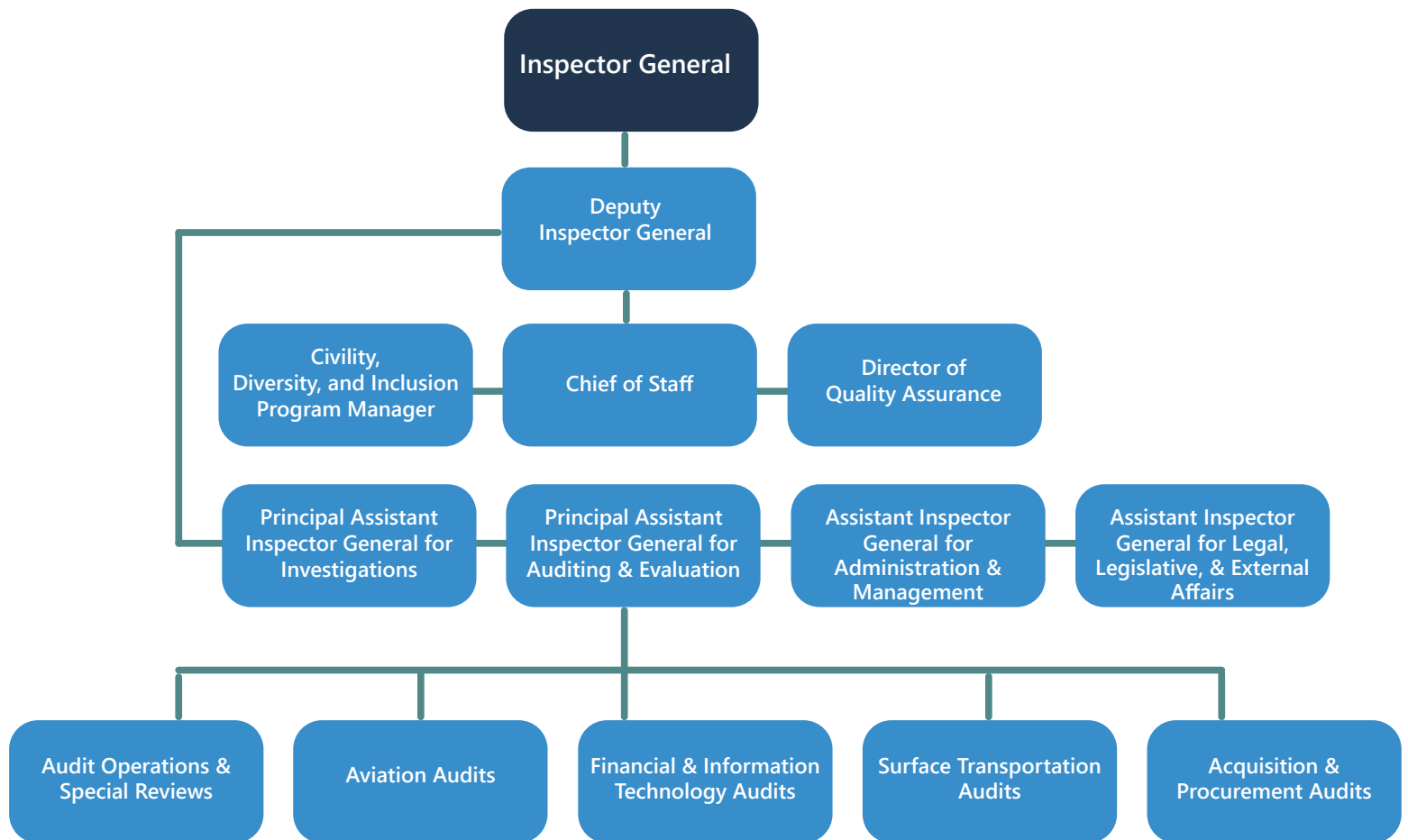
Safety is DOT's highest priority and central to OIG's identity. OIG is committed to conducting effective audits and investigations of DOT's programs and operations to reduce fatalities and injuries across all modes of transportation.

Accountability is at the heart of OIG's work. Through independent and fair audits and investigations, OIG seeks to ensure that all DOT agencies are accountable for their results and for the resources the public invests in them.

Integrity is OIG's foundation. OIG maintains the highest standards of integrity in its work for the American people, Congress, the Secretary, and senior Department officials, and strives to set the example for objectivity, independence, accuracy, and transparency.



OIG ORGANIZATION CHART



STRATEGIC GOAL

1

Increase the effectiveness of DOT safety programs and deter activity that threatens the safety of the national transportation system.

Strategies

1. Make recommendations through audits, evaluations, and other reviews to improve the efficiency and effectiveness of DOT safety programs.
2. Investigate transportation-safety-related crimes where death or serious bodily injury has occurred or is likely to occur.

Performance Measures

Development of annual risk-based audit and investigative plans

Develop annual risk-based audit plan in which at least 20% of total proposed audits (excluding single audit-related projects) will address transportation safety.

Develop annual risk-based investigative plan that focuses on transportation safety-related crimes.

Percentage of audits initiated that focus on safety-related programs.

At least 15% of audits initiated (excluding single audit-related projects) address transportation safety.

Percentage of safety-related recommendations agreed to by the Department.

At least 70% of transportation safety-related recommendations are agreed to by the Department.

Percentage of safety-related criminal investigations opened.

At least 30% of all investigations opened address transportation safety-related issues.

Percentage of safety-related cases accepted for civil or criminal action.

At least 50% of transportation safety-related cases are accepted for civil or criminal action.

FY 2019 Results

The Office of Auditing and Evaluation developed its annual risk-based audit plan in March 2019 and focused 28% of its proposed audits on transportation safety.

The Office of Investigations developed its risk-based investigative plan for FY 2019 in November 2018. The plan focuses on safety, grant/procurement fraud, and employee integrity.

20% of our audits initiated addressed transportation safety.

100% of our safety-related recommendations were agreed to by the Department.

52% of all OIG investigations opened addressed transportation safety.

83.9% of OIG's transportation safety cases were accepted for civil or criminal action.



STRATEGIC GOAL

2

Improve DOT's mechanisms for overseeing transportation investments and deterring fraud, waste, and abuse.

Strategies

1. Investigate fraud, waste, and abuse of Federal Programs and funding by DOT employees, grantees, and contractors.
2. Make recommendations through audits, evaluations, and other reviews to improve the efficiency and effectiveness of DOT's acquisitions and programs for overseeing grantees and contractors.

Performance Measures

Development of annual risk-based audit and investigative plans.

Develop annual risk-based audit plan in which at least 20% of total proposed audits (excluding single audit-related projects) will address transportation investments.

Develop annual risk-based investigative plan that focuses on fraud, waste, and abuse of Federal programs.

Percentage of audits initiated that focus on the Department's oversight of transportation investments.

At least 15% of audits initiated (excluding single audit-related actions) address transportation investments.

Percentage of transportation investment-related recommendations agreed to by the Department.

At least 70% of recommendations related to transportation investments are agreed to by the Department.

Percentage of procurement and grant fraud criminal investigations opened.

At least 30% of all investigations opened address transportation grant and procurement issues.

Percentage of procurement and grant fraud cases accepted for civil or criminal action.

At least 50% of transportation grant and procurement related cases are accepted for civil or criminal action.

FY 2019 Results

The Office of Auditing and Evaluation's annual risk-based audit plan focused 27% of its proposed audits on transportation investments.

At least half of the Office of Investigations' annual risk-based plan aims to address fraud, waste, and abuse in Federal programs.

24% of audits initiated addressed transportation investments.

The Department agreed to 100% of our transportation investment-related audit recommendations.

32.8% of OIG's opened cases addressed grant or procurement fraud.

68.7% of OIG's grant and procurement related cases were accepted for civil or criminal action.



STRATEGIC GOAL

3

Strengthen DOT's business operations through improved financial management and the development of a secure and modern information technology infrastructure.

Strategies

1. Make recommendations through audits, evaluations, and other reviews to improve the efficiency and effectiveness of DOT financial and information technology policies, procedures, and management practices, and assess the Department's compliance with Federal statutes and vulnerability to information security threats.

Performance Measures

Development of an annual risk-based audit plan.

Develop annual risk-based audit plan in which at least 20% of total proposed audits (excluding single audit-related projects) address financial management or information technology.

Percentage of audits initiated that deal with financial management and information technology.

At least 15% of audits initiated (excluding single audit-related actions) address financial management or information technology.

Percentage of financial- and information technology-related recommendations agreed to by the Department.

At least 70% of recommendations related to financial management and information technology are agreed to by the Department.

FY 2019 Results

The Office of Auditing and Evaluation's annual risk-based audit plan focused 45% of its proposed audits on financial management or information technology.

56% of audits initiated addressed financial management or information technology.

The Department agreed to 87% of our recommendations related to financial management or information technology.

STRATEGIC GOAL

4

Communicate the results of
OIG's work to the
public, Congress, and the
Department.

Strategies

1. Regularly and timely post the results of our audit and investigative work on our public website.
2. Regularly and timely communicate the results of our audit and investigative work to Congress and the Department.

Performance Measures

Publish audit reports within 3 days of public release and investigative reports on a weekly basis on our website.

Post at least 80% of audit reports to OIG's website within 3 days of issuance and delivery to DOT and Congress.

Post at least 80% of investigative summaries to OIG's website on a weekly basis.

FY 2019 Results

OIG posted 96% of its audit reports to its website within 3 days of issuing and delivering them to DOT and Congress.

OIG posted 100% of OIG investigative case summaries to the website on a weekly basis.

Issue Semiannual Reports and Budget Requests to Congress within the required timeframe.

Issue Semiannual Reports within mandated timeframes.

Submit annual budget submissions within agreed-upon deadlines.

OIG issued all required Semiannual Reports to Congress within statutorily mandated timeframes.

OIG submitted each annual budget submission within all agreed-upon deadlines.

Provide weekly updates to the Department on upcoming audits and recently completed audit and investigative results.

Provide at least 85% of updates to the Department on a weekly basis, as required.

OIG provided 100% of updates on upcoming audits, recently completed audits, and investigative results to the Secretary of Transportation on a weekly basis.



STRATEGIC GOAL

5

Promote organizational
and workforce excellence.

Strategies

1. Develop, maintain, update, and implement a Human Capital Plan that encompasses recruiting, developing, mentoring, and motivating a diverse workforce.
2. Provide employees with the tools, training, and time they need to do their jobs.
3. Maintain an environment of open communication, respect for innovative ideas, and understanding of the value of each individual's contribution, where people are able to express disagreements or make complaints without fear of retaliation or reprisal.

Performance Measures

Federal Employee Viewpoint Survey
Employee Engagement Index.

***Score at least 73% on the
Employee Engagement Index.***

Federal Employee Viewpoint Survey
New IQ Index.

***Score at least 67% on the New
IQ Index***

Federal Employee Viewpoint Survey
Global Satisfaction Index.

***Score at least 74% on the
Global Satisfaction Index.***

FY 2019 Results

OIG scored 80% positive on the 2019 Federal Employee Viewpoint Survey Employee Engagement Index.

OIG reached a score of 71% on the 2019 Federal Employee Viewpoint Survey New IQ Index.

OIG scored 82% positive on the 2018 Federal Employee Viewpoint Survey Global Satisfaction Index.

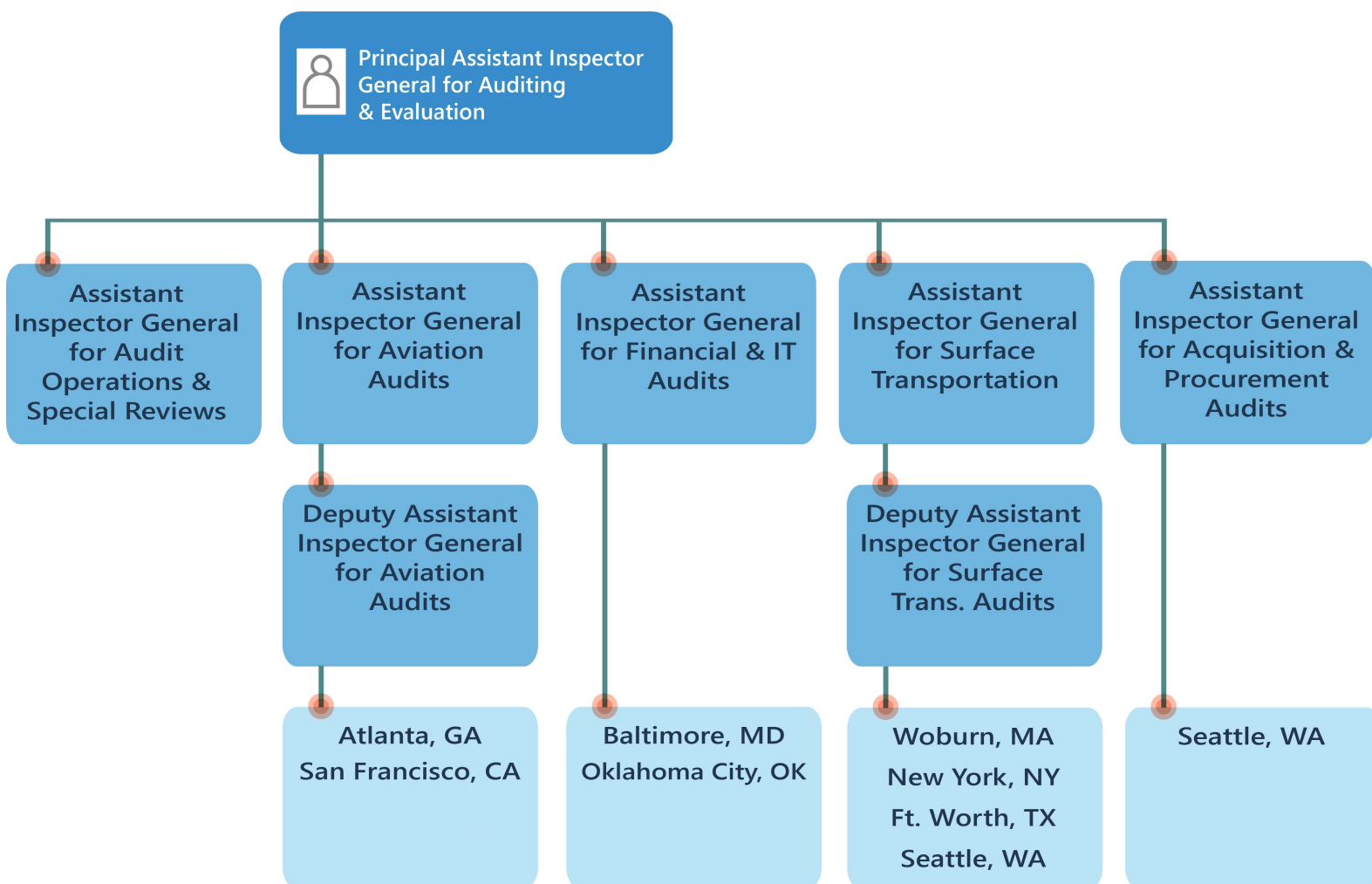
* Results for 2019 have not been released.

Note: We previously measured our progress against the FEVS Human Capital Index based upon our results in those areas. OPM notified us that it discontinued use of this index last year, so we are no longer able to track this measure.



ORGANIZATION CHART

OFFICE OF AUDITING AND EVALUATION - JA



Office of Auditing and Evaluation

MISSION FOCUS

OIG develops and maintains a 24-month audit plan, updated annually, to maximize resources and provide the greatest potential benefits to DOT and the public. As part of this plan, we ensure that audits address key DOT goals, risks, and challenges; meet mandates and congressional and Secretary requests; and cover other key issues noted by our audit staff. Our most recent audit plan update, completed in March 2019, identified over 170 audits in critical areas across DOT's Operating Administrations.

As required by law, OIG also issues an annual report on DOT's top management challenges—a forward-looking assessment of DOT's most significant challenges to meeting its mission for the coming fiscal year. In identifying these challenges, we consider their safety impact, documented vulnerabilities, large dollar implications, and the ability of the Department to effect change.

AUDIT HIGHLIGHTS



87

audit reports issued



261

recommendations



\$71 million

total financial recommendations



\$37 million

funds that could be put to better use



\$12 million

questioned costs



1

testimony before Congress

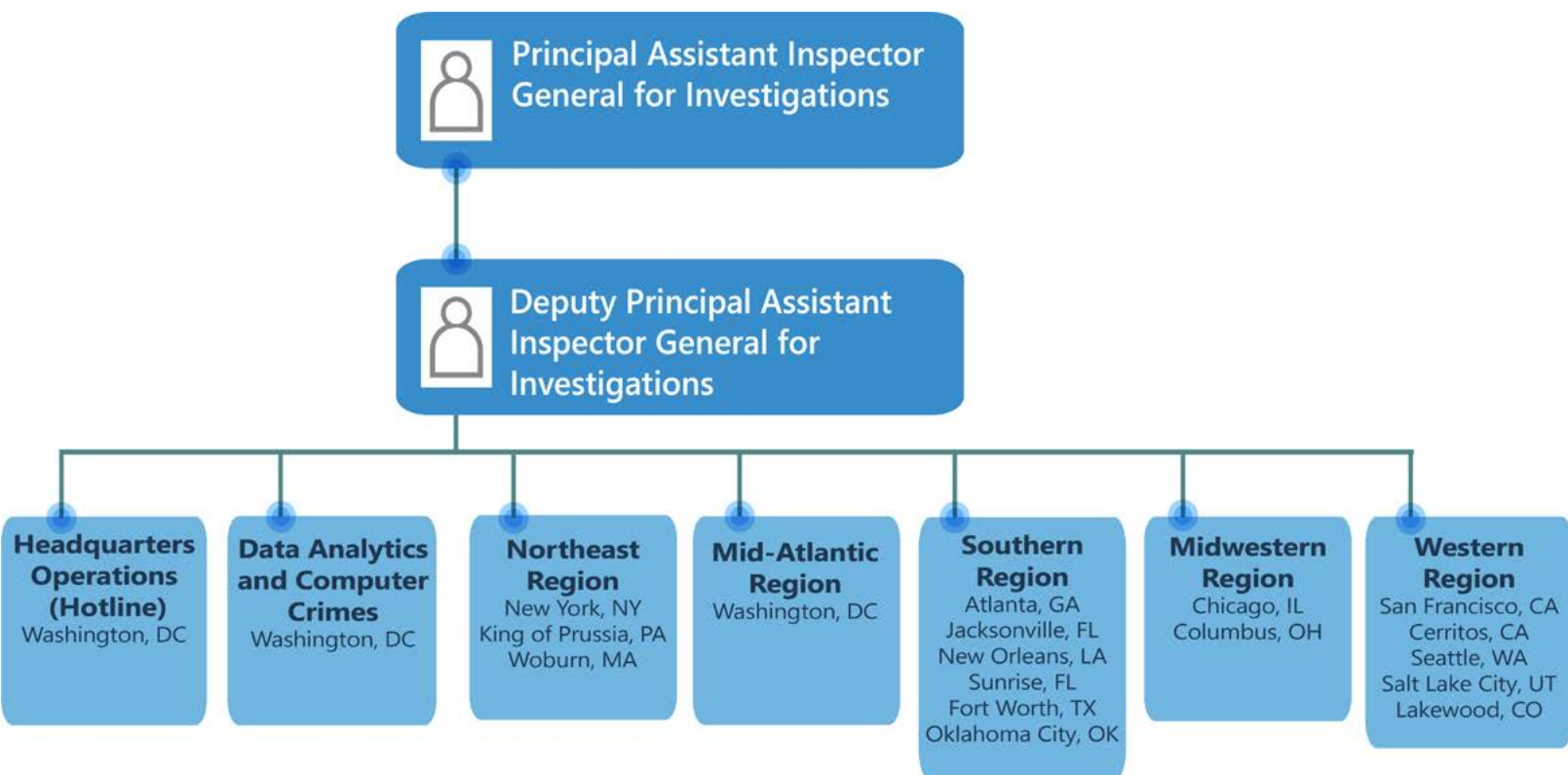
RESPONDING TO CRITICAL SAFETY INCIDENTS

Our Office of Audit targets key safety areas through our strategic planning process and also responds to emerging safety issues. For example, two recent accidents involving Boeing 737 MAX 8 aircraft have raised safety concerns and questions about the Federal Aviation Administration's certification of this aircraft. On March 19, the Secretary of Transportation requested that we review these issues. We also had similar requests from several Members of Congress. We initiated our audit on March 27 and expect to complete it in spring of 2020.



ORGANIZATION CHART

OFFICE OF INVESTIGATIONS - JI



Office of Investigations

MISSION FOCUS

OIG's Office of Investigations focuses on criminal cases that have the greatest direct impact on DOT programs and operations, particularly where regulatory enforcement action is ineffective. To determine if an investigation is warranted, we weigh the seriousness of the conduct, impact on public safety, availability of investigative resources, prosecutorial appeal, and any likely deterrent effects. Based on available resources, we generally focus our investigative efforts on three overarching areas: transportation safety, grant and procurement fraud, and employee integrity.



INVESTIGATIONS HIGHLIGHTS



3,213

hotline complaints



84/68

convictions/indictments



\$106.7 million

finances, forfeitures, restitutions, and recoveries

ELIMINATING COMMERCIAL DRIVER'S LICENSE FRAUD

In FY 2019, our investigations protected the American public from fraudulent issuance of commercial driver's licenses (CDL). Specifically, three individuals were sentenced to a combined 37 months' incarceration, and 5 years' probation for submitting falsified DOT-mandated CDL medical examinations. In a separate investigation, two individuals were sentenced to a combined 124 months' incarceration and 22 years' probation for fraudulently issuing permits to drivers who either failed or never took a required written test. As a result of these investigations, more than 2,000 commercial drivers were required to retake their CDL tests.

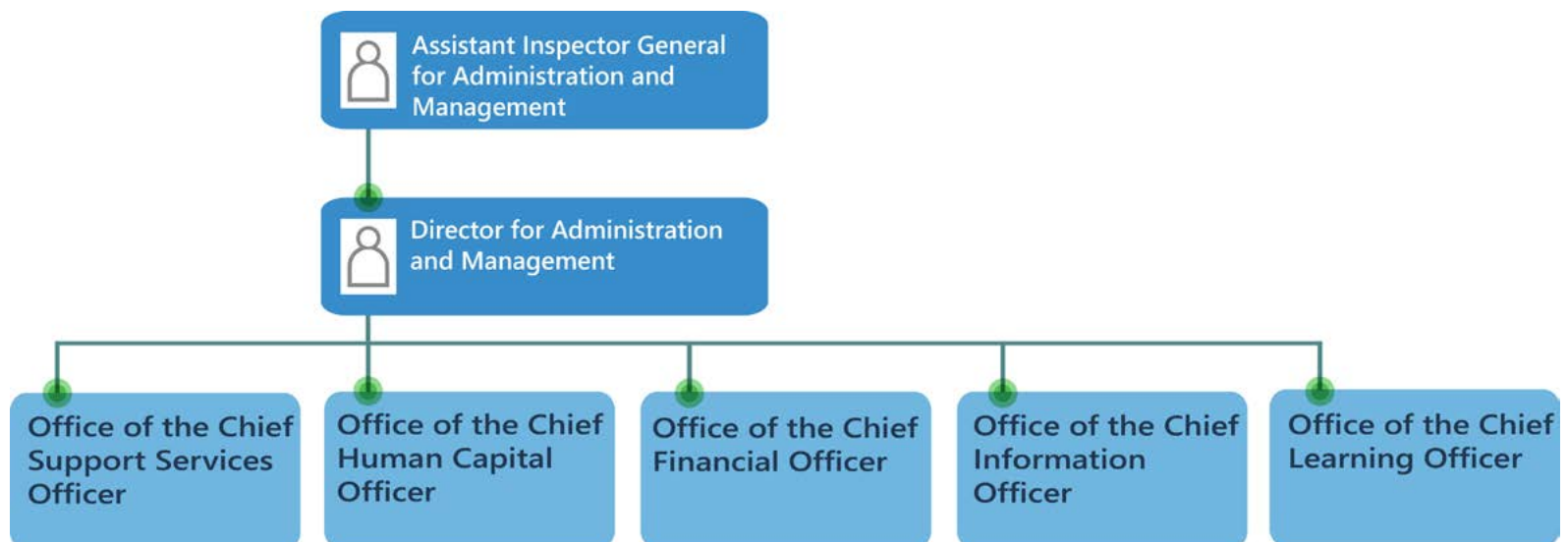
ENHANCING BUS SAFETY

In FY 2019, our investigations enhanced bus transportation safety for the public. Specifically, six individuals were sentenced in Federal court for conspiring to falsify bus safety, maintenance, and driver qualifications records in order to impede Federal Motor Carrier Safety Administration inspections. They received a combined 47 months' imprisonment; 72 months' supervised release; 36 months' probation; \$27,000 in fines and assessments; and forfeited \$3,253,118.



ORGANIZATION CHART

ADMINISTRATION AND MANAGEMENT - JM



Office of Administration and Management

MISSION FOCUS

The Office of Administration and Management provides a full range of administrative services, including human resources, training, information technology, budget and financial management, facilities management, and acquisitions and procurements. Our mission is to provide the right people, technology, property, services, and processes to support the needs of OIG.

OIG's FY 2019 budget was \$92.6 million in support of 413 full-time equivalent employees.



ADMINISTRATION AND MANAGEMENT HIGHLIGHTS

 **\$92.6 million**

OIG's fiscal year 2019 budget

REALIZING OIG'S FACILITIES INITIATIVES

For FY 2019, OIG completed construction and relocation of two field offices to areas outside central business districts, which are more conducive to OIG's mission execution. We also continued efforts to comply with the Office of Management and Budget's mandate for Federal agencies to shrink their real estate footprint. OIG achieved a 34% space reduction without increasing its rentable square foot cost.

FINANCIAL AND MANAGEMENT TESTS

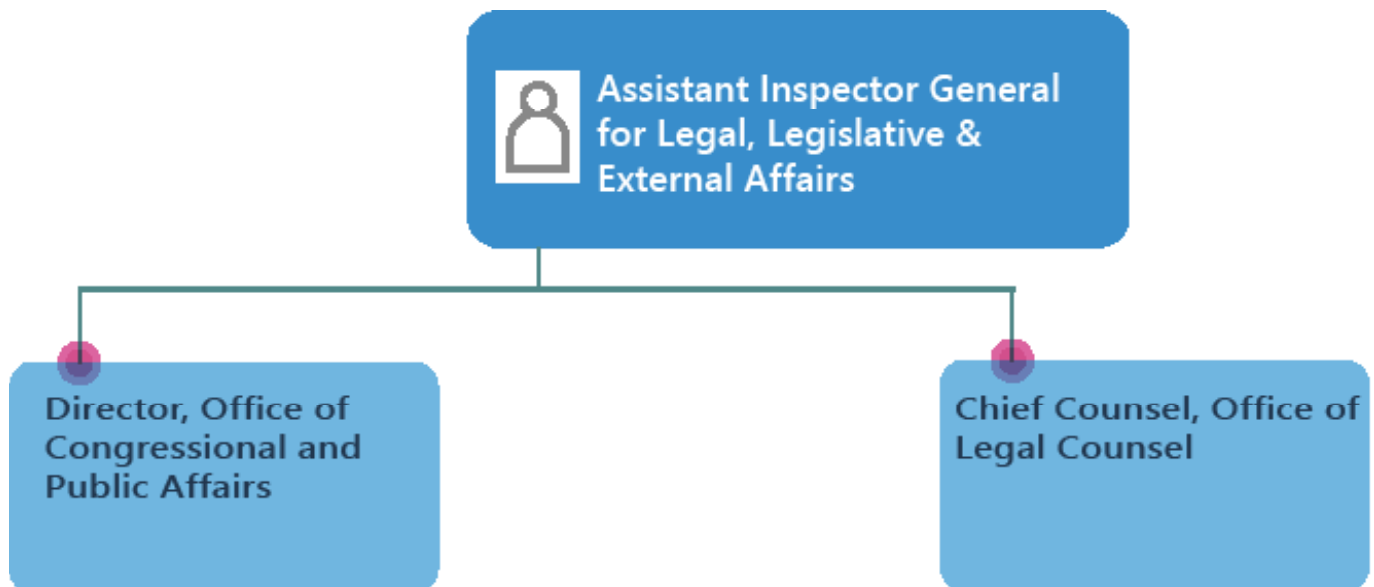
No significant control deficiencies or material weaknesses were reported for OIG following independent tests of OIG's management control and financial management systems. Tests included the independent testing of two entity-level focus areas—Information & Communication and Monitoring—and four business process focus areas: Cost Accounting, Inter/Intra-Agency Agreements, Procure-to-Pay, and Purchase Card.

In general, these tests are designed to provide reasonable assurance that OIG complies with applicable laws and requirements regarding obligations and costs; funds, property, and other assets; accounting practices; audit findings; and financial systems.



ORGANIZATION CHART

OFFICE OF LEGAL, LEGISLATIVE, & EXTERNAL AFFAIRS - J-3



Office of Legal, Legislative, and External Affairs

MISSION FOCUS

The Office of Legal, Legislative, and External Affairs provides key mission support services. The office handles all OIG Freedom of Information Act (FOIA) requests from the public; manages OIG's ethics program; provides legal advice and assistance to senior OIG officials, auditors, and investigators; and serves as the primary point of contact for congressional, intergovernmental, and media requests and inquiries.



LEGAL, LEGISLATIVE, AND EXTERNAL AFFAIRS HIGHLIGHTS

REPORTING TO STAKEHOLDERS

We provided budget submissions and semiannual, monthly, and weekly reports of OIG results within required timeframes to Congress, the Administration, DOT components, and other stakeholders as required.

RESPONDING TO FOIA REQUESTS

In FY 2019, OIG continued to demonstrate its commitment to transparency in Government by dedicating appropriate resources to its FOIA program. Notably, OIG's FOIA Office experienced a 41% increase in the number of FOIA requests—from 82 to 116—compared to FY 2018. OIG handled this increase in workload efficiently, responding to 113 of the requests. As a result of these efforts, there were less than 10 pending FOIA requests at the end of FY 2019.



MISSION FOCUS

OIG maintains a Quality Assurance and Improvement Program to ensure that all work performed—audits; investigations; legal, legislative, and external affairs; and administrative—adheres to established OIG policies and procedures and meets established standards of performance. The quality of all our work significantly affects our credibility and effectiveness in performing oversight.

The Office of Quality Assurance maintains a 3-year schedule of offices and functions to be reviewed and updates the schedule annually. Quality Assurance Review (QAR) reports include an opinion on internal controls and make recommendations where improvements are needed.

This office also serves as the point-of-contact for external reviews of our audit and investigative work, including our adherence to Generally Accepted Government Auditing Standards (GAGAS), the Council of the Inspectors General on Integrity and Efficiency (CIGIE) guidelines, and the Attorney General Guidelines for Federal OIGs with statutory law enforcement authority. These external reviews occur every 3 years and are conducted by our peers in the Federal oversight and accountability community.

QUALITY ASSURANCE HIGHLIGHTS



8/1

Internal reviews/External reviews

OFFICE OF INVESTIGATIONS

QAR reports focused on office compliance with professional standards, including investigative and evidence procedures. We reported on activities across one entire region and five individual offices in FY 2019. When appropriate, opportunities for improvement were brought to the relevant Special Agent-in-Charge's attention.

OFFICE OF AUDITING AND EVALUATION

QAR reports focused on compliance with professional standards, including those for audit documentation and supervisory review procedures. We reported on activity in one entire division and one audit report in another division for FY 2019. When appropriate, opportunities for improvement were brought to the relevant Assistant Inspector General's attention.

The Office of Auditing and Evaluation also underwent a peer review this fiscal year. The review did not make any recommendations, concluding that our audit organization's system of quality controls was suitably designed and complied with applicable professional standards established by GAGAS.

ADDITIONAL INFORMATION

U.S. DOT IG Fraud & Safety (Hotline)

hotline@oig.dot.gov | (800) 424-9071

<http://www.oig.dot.gov/hotline>



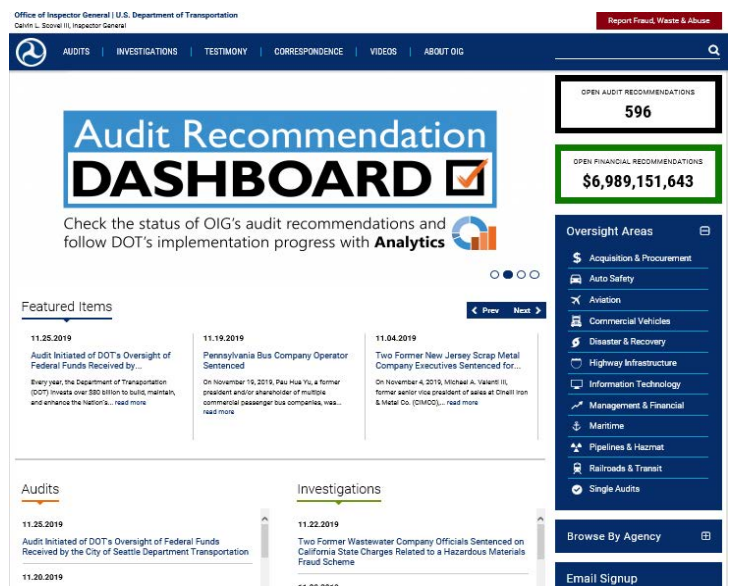
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U.S. DEPARTMENT OF TRANSPORTATION
OFFICE OF INSPECTOR GENERAL

Strategic Plan 2017–2021

Click the above image to review the OIG's current Strategic Plan



Click the above image to browse the DOT OIG website