

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

ORGANIZATION ASSESSMENT

FY 2020 October 1, 2019, through September 30, 2020



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FISCAL YEAR 2020 OVERVIEW

The Office of the Inspector General (OIG), Department of Transportation (DOT) is proud to conduct significant transportation safety, oversight, and management work for Congress, the Department, and the American public. We carry out this work through our statutory responsibilities under the Inspector General Act while supporting DOT's mission and strategic goals. Through our mission and core values—safety, accountability, and integrity—we contribute to DOT's efforts to achieve a safer, more efficient transportation system. We also work closely with Congress, senior DOT officials, and law enforcement to enhance the effectiveness and integrity of DOT programs and investigate allegations of fraud, waste, and abuse.

OIG navigated significant challenges in fiscal year (FY) 2020, including the COVID-19 global pandemic and several top-level leadership transitions. In the midst of these challenges, we kept our motto "Mission First, People Always" in focus and made protection of employees' health and safety our highest priority. We rapidly pivoted operations to 100 percent telework and implemented new policies and technology to help staff deal with the many changes impacting their lives and work.

Our dedicated and resilient staff nimbly adapted to get the job done, remarkably achieving our highest-ever return on investment (ROI). With a \$94.6 million budget supporting 400 full-time equivalent employees, we returned \$80 for every dollar we were appropriated—bringing our 5-year average ROI to \$33 to \$1. We issued 51 audit reports with a total of 215 recommendations, including financial recommendations totaling over \$7 billion. Our investigative work resulted in 73 indictments; 47 convictions; over 88 years of incarceration for convicted criminals; and over \$145 million in fines, forfeitures, restitutions, and recoveries.

We also met all fiscal responsibilities this year, completing quarterly financial statements and our budget submission in accordance with applicable deadlines and guidelines. No significant control deficiencies or material weaknesses were reported following independent tests of our management control and financial management systems. In addition, we continued to provide timely and transparent communication on the results of our audits and investigations, meeting all requirements for weekly, monthly, and semiannual reports to congressional and DOT stakeholders.



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 2020.

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 improvement 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 2020 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 2020 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

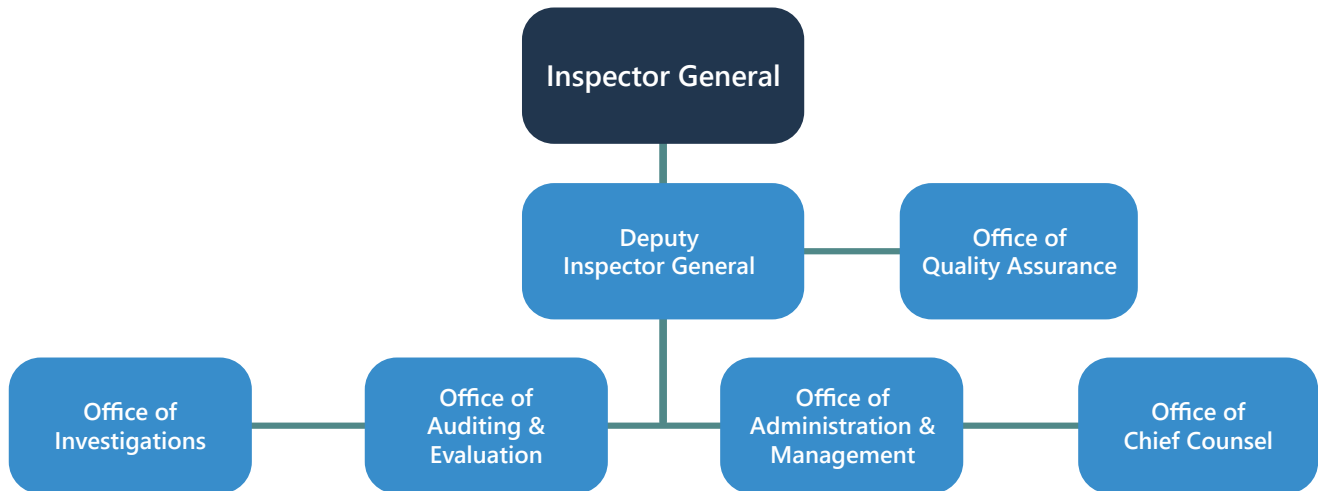
Safety is DOT's highest priority and central to OIG's identity. OIG is committed to conducting effective audits and investigations of DOT's programs and operations to reduce fatalities and injuries across all modes of transportation.

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 ORGANIZATIONAL 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.

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 2020 Results

The Office of Auditing and Evaluation developed its 24-month 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 2020 in October 2019. The plan focuses on safety, grant/procurement fraud, and employee integrity.

21% of our audits initiated addressed transportation safety.

The Department agreed to 100% of our safety-related recommendations.

51% of all OIG investigations opened addressed transportation safety.

65% 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. 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.
2. Investigate fraud, waste, and abuse of Federal Programs and funding by DOT employees, 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 2020 Results

The Office of Auditing and Evaluation's 24-month risk-based audit plan focused 27% of its proposed audits on transportation investments.

At least 50% of the Office of Investigations' annual risk-based plan aims to address fraud, waste, and abuse in Federal programs.

28% of audits initiated addressed transportation investments.

The Department agreed to 92% of our transportation investment-related audit recommendations.

36% of OIG's opened cases addressed grant or procurement fraud.

57% 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 ongoing 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 2020 Results

The Office of Auditing and Evaluation's 24-month risk-based audit plan focused 45% of its proposed audits on financial management or information technology.

51% of audits initiated addressed financial management or information technology.

The Department agreed to 100% 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 2020 Results

OIG posted 94% 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 2020 Results

Due to delays caused by the COVID-19 pandemic, results from the FY 2020 Employee Engagement Index were not available for this report.

Due to delays caused by the COVID-19 pandemic, results from the FY 2020 New IQ Index were not available for this report.

Due to delays caused by the COVID-19 pandemic, results from the Global Satisfaction Index were not available for this report.

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



51

audit reports issued



215

recommendations



\$7.39 billion

total financial recommendations



\$7.38 billion

funds that could be put to better use



\$9.9 million

questioned costs



0

testimony before Congress

RESPONDING TO THE CARES ACT

We target key safety areas through our strategic planning process and also respond to emerging safety issues. This year, the Coronavirus Aid, Relief, and Economic Security (CARES) Act provided over \$36 billion to support the Department's response to COVID-19. To bolster the oversight of CARES Act grantees and contractors, we highlighted key risk areas for DOT's consideration and offered suggestions for mitigating them—based on our prior work helping the Department oversee similar appropriations of funds. By focusing on these risk areas early on and establishing key internal controls, DOT can promote efficiencies; help ensure compliance; and better prevent fraud, waste, and abuse.

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



47/73

convictions/indictments



\$145.32 million

fines, forfeitures, restitutions, and recoveries

ENHANCING PIPELINE SAFETY

In FY 2020, OIG protected the American public and the environment by emphasizing the safe transportation of energy and other hazardous materials. Specifically, a gas company was sentenced to over \$53 million in criminal fines, 3 years of probation, and a compliance monitoring agreement for disregarding known safety risks in favor of timeliness when it replaced aging pipeline infrastructure. As a result, explosions and fires occurred, killing one person, injuring several others, and displacing thousands.

COMBATING HOUSEHOLD GOOD FRAUD

In FY 2020, OIG joined State and local agencies to combat household goods (HHG) schemes and frauds. Moving company operators offered "low ball" estimates for moving HHG and then raised prices after the goods were loaded, leaving customers in vulnerable positions. Between 2013 and 2015, the final costs of over 1,300 moves handled by the target companies were above the 10% increase allowed by Federal regulations. The operators pleaded guilty to conspiracy to defraud victims of personal items and were sentenced to nearly 7 years' incarceration, 9 years' supervised release, \$223,096.15 in restitution, a forfeiture of \$200,000, and other penalties.

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, 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.

ADMINISTRATION AND MANAGEMENT HIGHLIGHTS

MIGRATING TO THE CLOUD

The COVID-19 global pandemic compelled OIG to find new ways of operating and working together, and the Office of Information Technology responded by fast-tracking our move to the cloud. The IT staff had already established tools and procedures to aid OIG colleagues working offsite; thus, DOT's move to mandatory, 100-percent telework did not constrain their efforts. They worked with an external consultant to assess the capabilities of the current network system and develop an implementation plan to migrate OIG to the cloud environment by spring 2021. Part of this effort included giving OIG employees access to a business communication platform to facilitate videoconferencing, project planning, and professional development training in the COVID-19 era.

REINFORCING THE INFRASTRUCTURE

The Office of Facilities and Asset Management oversees all aspects of OIG's facilities infrastructure and also maintains control of our high-value assets—everything from fleet operations and IT property inventory to office supplies. As members of one of OIG's newest divisions, the staff saw their skills and abilities put to the test this year when the pandemic hit. In addition to handling new duties—ranging from procuring personal protective equipment for investigators to limiting the traffic into the Headquarters building—they continued to implement ongoing initiatives. For example, they made significant progress in advancing the leasing process to relocate our regional offices in New York and Chicago and added two office-relocation projects—in Cerritos, CA, and Lakewood, CO—to their portfolio. These relocation/construction projects support our aims to reduce the organization's rent costs and real estate footprint.

Office of Chief Counsel

MISSION FOCUS

The Office of Chief Counsel provides key mission support services. The office handles all OIG Freedom of Information Act (FOIA) requests from the public; manages OIG's ethics program; and provides legal advice and assistance to senior OIG officials, auditors, investigators, and administrative staff.

OFFICE OF CHIEF COUNSEL HIGHLIGHTS

SUPPORTING OIG INVESTIGATIONS

In FY 2020, OIG enhanced its support of its investigations team through improved knowledge sharing and collaboration. The Office of Chief Counsel worked closely with the Office of Investigations to develop new online resources and update previous guides to legal issues. This joint effort provides investigators with the tools and training they need to meet OIG's goal of workforce excellence.

In addition, for the first time, one of our attorneys was sworn in as a Special Assistant U.S. Attorney to directly support and prosecute an OIG investigation in Federal courts. The ability to respond affirmatively to requests from the U.S. Attorney's Office in this way will have a direct and positive impact on OIG's efforts to deter activity that threatens the safety of the national transportation system.

Office of Quality Assurance

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



10/0

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 five regions and three individual offices in FY 2020. When appropriate, opportunities for improvement were brought to the attention of the relevant Special Agent-in-Charge.

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 2020. When appropriate, opportunities for improvement were brought to the attention of the relevant Assistant Inspector General.

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 OIG's current Strategic Plan.



Click the above image to browse the OIG website