



DOT OIG's Fiscal Year 2024 Information Toolkit

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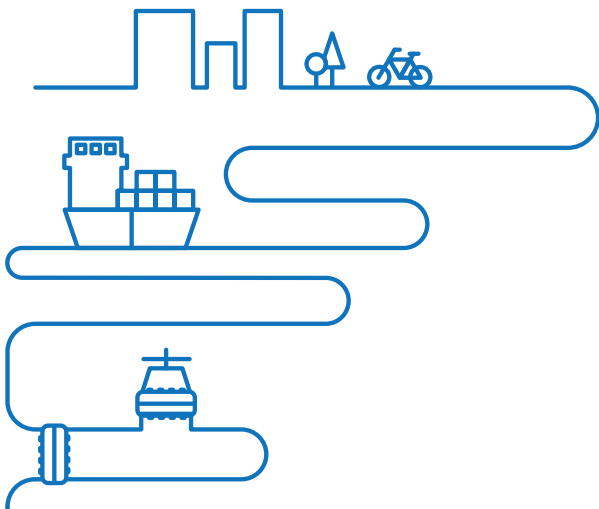
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1.1

MISSION

Mission

The Office of Inspector General (OIG) enhances the Department of Transportation's (DOT) programs and operations by conducting objective investigations and audits on behalf of the American public.

Who We Are

Since OIG was established in 1979, we have been dedicated to providing independent and objective reviews of the economy, efficiency, and effectiveness of DOT programs and operations, and to detecting and preventing fraud, waste, abuse, and criminal violations of laws affecting the Department.

What We Do

OIG operates as an independent organization within the Department under the authority of the Inspector General Act of 1978, as amended (the IG Act). Our audits and investigations provide independent reviews and recommendations to enhance the effectiveness of the Department's programs and prevent fraud, waste, and abuse of the Department's resources. By law, the Inspector General (IG) reports to the Secretary of Transportation and Congress.

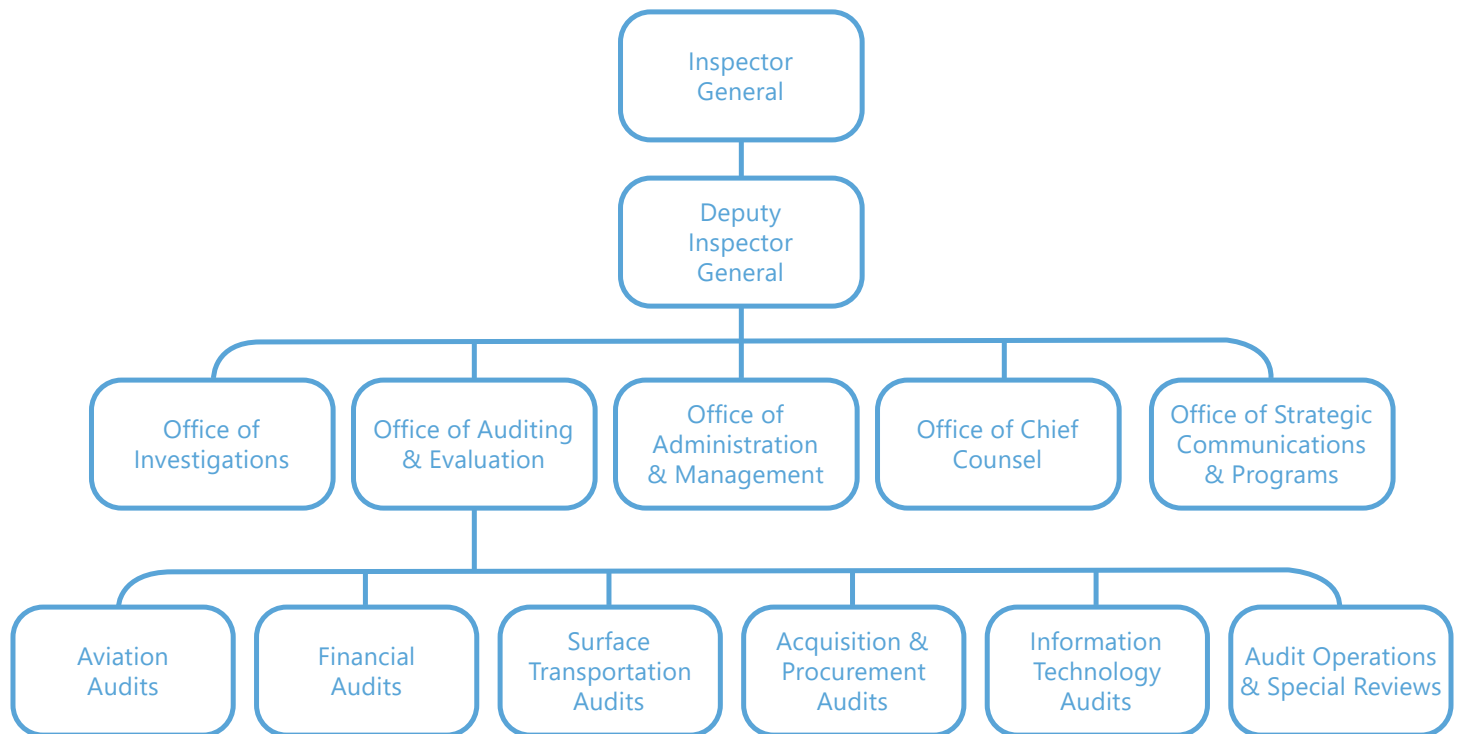
OIG is the principal law enforcement office within DOT with authority to carry firearms, execute warrants, and make arrests. We often collaborate with other Federal, State, and local law enforcement entities, and must report possible criminal violations to the U.S. Attorney General.

OIG's Office of Investigations also manages our Hotline Complaint Center that is staffed 24 hours a day, 7 days a week. This office is also responsible for investigating whistleblower complaints, including those referred by the U.S. Office of Special Counsel.

OIG's Office of Auditing and Evaluation is comprised of auditors, analysts, information technology experts, economists, statisticians, engineers, accountants, and other subject matter experts. In addition to performance audits aimed at improving the safety, economy, efficiency, and effectiveness of transportation programs, our audit staff specialize in financial management, information technology, and acquisition and procurement audits. Our reports are made available to the public via our website at www.oig.dot.gov.

1.2

ORGANIZATION



1.3

OIG EXECUTIVE LEADERSHIP

Inspector General

Leads the Office of Inspector General, which is tasked with providing the Secretary and Congress with independent and objective reviews of the economy, efficiency, and effectiveness of the Department's programs and operations in addition to detecting and preventing fraud, waste, abuse, and violations of law.

Deputy Inspector General

Assists and advises the Inspector General on management of the organization, including nationwide operations, policy decisions, and work products. Oversees OIG's executive management team.

Principal Assistant Inspector General for Auditing and Evaluation

Leads OIG's six audit offices: Aviation; Surface Transportation; Financial; Information Technology; Acquisition and Procurement; and Audit Operations and Special Reviews.

Principal Assistant Inspector General for Investigations

Manages OIG's criminal and civil investigations, Hotline Complaint Center, Data Analytics and Computer Crimes unit, and DOT employee and contractor Whistleblower Protection Coordinator functions.

Assistant Inspector General for Administration and Management

Oversees all of OIG's administrative and management services, including facilities and asset management, human resources, information technology, procurement, and training and development.

Chief Counsel

Oversees all legal assistance to OIG operations and activities, including ethics training and counsel, employee financial disclosures, and FOIA.

Assistant Inspector General for Strategic Communications and Programs

Advises the Inspector General and Deputy Inspector General on the agency's daily operations, policies and procedures, and special projects. Oversees the Office of the Chief Financial Officer; Office of Communications; Office of Government and Public Affairs; Organizational Development Office; Civility, Diversity, and Inclusion Office; and Executive Administrative Staff.

1.4

KEY COMMUNICATIONS

Semiannual Reports to Congress

By April 30 and October 31 of each year, OIG prepares a Semiannual Report to Congress summarizing OIG activities for the preceding 6-month periods ending March 31 and September 30. The report includes statistical information on the results of OIG work, and describes completed audits and certain investigations. The IG Act directs the Secretary to send the report, along with any comments or relevant explanation, to the appropriate committees of Congress within 30 days of receipt.

Budget and Performance

Per the IG Act, OIG submits an annual budget request and estimate to the Secretary specifying the aggregate amount of funds necessary to execute OIG's mission, including amounts necessary to meet all training requirements and to support the Council of the Inspectors General on Integrity and Efficiency. The President's budget to Congress must include a

separate statement of OIG's budget estimate and any OIG comments if the Inspector General concludes the President's budget would substantially inhibit OIG from performing its duties.

OIG's work reflects our commitment to fully inform Congress, the Department, and the public of pressing transportation concerns and to aggressively pursue individuals intent on putting the public and taxpayer dollars at risk.

OIG audit recommendations lead to substantial financial and program improvements, including those that enhance safety. In addition, OIG investigations enhance safety by thwarting criminal activities that put lives at risk, and protect taxpayer investments through fines, restitutions, and recoveries. Through OIG's work, we have consistently achieved a significant return on the taxpayer's investment (ROI).

Recommendation Dashboard

OIG maintains an audit Recommendation Dashboard on our public website. Our objective is to regularly publish current information regarding the status of OIG recommendations at www.oig.dot.gov/recommendation-dashboard. The Recommendation Dashboard displays a list of audit recommendations for each audit, the status of individual recommendations (open or closed), and the dollar value of any financial recommendations.

This initiative enhances the transparency and accountability of OIG information by making it more timely and accessible to the public. Making progress toward closing open audit recommendations is an important part of fulfilling both DOT's and OIG's missions, and making that process more publicly transparent through the Recommendations Dashboard enhances those efforts.



DOT's Top Management Challenges

OIG neither issues regulations nor sets departmental policy. OIG's role is to provide facts for the policy-makers in the Department and Congress. One of OIG's key deliverables is our statutorily required annual report on DOT's top management challenges (TMC), which provides a forward-looking assessment for the coming fiscal year to aid DOT's Operating Administrations in focusing attention on the most serious management and performance issues facing the Department.

OIG issued its FY 2024 Top Management Challenges on November 1, 2023. We considered several criteria in identifying DOT's top management challenges for FY 2024, including impact on safety, documented vulnerabilities, large dollar implications, and the Department's ability to effect change.

For FY 2024, OIG identified 10 major challenges facing DOT. Furthermore, in light of the nearly \$660 billion in funding authorized by the Infrastructure Investment and Jobs Act (IIJA) to bolster the Nation's transportation infrastructure, our report also discusses IIJA's impact on each of the management challenge areas we identified:

- **Aviation safety.** Enhance FAA's oversight of aircraft certification and production, and diagnose root causes to prevent and mitigate runway incursions.
- **Surface transportation safety.** Identify root causes and implement safety programs to reduce fatalities and verify and enforce railroad, transit, pipeline, and hazardous materials safety compliance.
- **Air traffic control and airspace modernization.** Understand and address the causes of flight delays and cancellations and recover from and assess the impact of delayed and diminished NextGen programs on Agency costs and benefits for airspace users.
- **Surface transportation infrastructure.** Steward surface transportation investments in a changing environment, support effective funding oversight as IIJA progresses, and advance a range of surface transportation priorities and goals.
- **Contract and grant fund stewardship.** Award contract and grant funds to achieve the best outcomes and verify efficient and appropriate use of contract and grant funds.
- **Financial management.** Reduce the occurrence of improper payments, improve compliance with Federal requirements for monitoring and reporting on grantee spending, and improve the quality of financial data.
- **Information security.** Overcome obstacles to mitigate longstanding weaknesses in DOT's cybersecurity program, and execute Federal priorities to move toward a Zero Trust Architecture.
- **Fraud prevention and detection.** Identify and assess fraud risks, and manage fraud risks through oversight, outreach, and data analysis.
- **Transportation transformation.** Advance safety and other DOT missions through the innovation principles, safely advance emerging and innovative vehicle technologies, and integrate new technologies into the National Airspace System.
- **Organizational excellence.** Establish the workforce capabilities needed to meet the Department's mission, manage an evolving workplace environment, and cultivate data-driven approaches to support policymakers and manage the mission.
- Click [here](#) to read the full FY 2024 Top Management Challenges report.

IMPACT OF OUR WORK






2.1

HIGHLIGHTS FOR FISCAL YEAR 2023

Investigative Accomplishments

investigations opened, by priority area

 transportation safety	33	 public interest	11
 grant and procurement fraud	26	 other	8
 employee integrity	5		

132/153
investigations & complaints
closed/opened

60/62
convictions/indictments

\$38.2m
financial impact of
OIG investigations














Audit Accomplishments

47
audit reports issued

201
recommendations



\$400.9m
financial impact of
OIG audit reports

audit reports, by operating administration

 Multimodal	12	 FRA	0	 NHTSA	1
 FAA	14	 FTA	3	 NTSB	2
 FHWA	1	 GLS	1	 PHMSA	1
 FMCSA	1	 MARAD	0	 STB	3
 OST	8				

Return on Investment

In FY 2023, DOT OIG returned \$4 to the Treasury for every appropriated dollar—achieving its return on investment with just a fraction of DOT’s total workforce and budget.

		FY 2023 Enacted FTEs	FY 2023 Budgetary Resources
	OIG	397	\$108.1m
	DOT	55,295	\$145.1b

Note: Return on investment compares the cost for DOT OIG to do business to the court-ordered fines, restitutions, recoveries, forfeitures, recoveries of improper payments, recommended cost savings, and recommendations for funds put to better use resulting from DOT OIG audits and investigations.

2.2

INVESTIGATIVE OUTCOMES FOR FY 2023

We investigate allegations of fraud, waste, abuse, and other violations of law by DOT employees, contractors, grantees, and regulated entities. Some of the significant issues we investigated this fiscal year include:

Hazardous materials violations.

Two individuals were sentenced to 35 years of incarceration, 6 years of supervised release, and \$68,948 in forfeitures for their participation in a scheme to steal, fraudulently resell, and transport body parts and bodies.

Moving fraud. An individual was sentenced to 8 years of incarceration, 3 years of supervised release, and over \$3.2 million in forfeiture and restitution for inflating moving costs and abandoning victims' property throughout the country.

Bribery scheme. A trucking contractor was sentenced to 2 years of incarceration, 1 year of supervised release, and over \$1.3 million in restitution for a decade-long bribery conspiracy involving manipulating the contract award process and falsifying mileage reports.

Illegal tank repairs. A trucking company owner was sentenced to 10 years of incarceration, 5 years of supervised release, and over \$1.2 million in restitution for conspiring to make illegal repairs on cargo tanks, which resulted in a fatal explosion, as well as COVID-19 relief fraud and tax evasion.

Certificate fraud. A company was sentenced to 5 years of probation and \$5 million in restitution and fines for falsifying FAA registration and aircraft bill of sale documents. Four aircraft were also seized, resulting in the recovery of \$545,100.

Employee misconduct. A former DOT employee was sentenced to 2 years of incarceration and 2 years of supervised release for illegally selling and misrepresenting transfers of Iranian currency.

Network intrusion. An individual was sentenced to 20 months of imprisonment and 3 years of supervised release for illegally accessing an FAA database and fraudulently obtaining and using an aircraft mechanic certificate.

Investigative Accomplishments



4,655

hotline contacts received



132/153

investigations & complaints
closed/opened



60/62

convictions/indictments



246.4

total years of incarceration,
probation, and supervised
release



\$38.2m

financial impact of
OIG investigations

total financial impact	\$38.2 million
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restitution

\$16.4 million



forfeitures

\$10.1 million



recoveries

\$5.2 million



finest and special assessments

\$4.8 million



costs avoided

\$1.7 million

Types of Criminal Monetary Impositions

Restitution is a criminal or civil award to a victim for harm caused by the offender's wrongful acts.

Forfeitures include the seizure of assets that represent the proceeds of, or were used to facilitate, Federal crimes.

Recoveries include funds returned to the Government resulting from criminal and civil judgments, pleas, and settlements.

Fines are criminal or civil monetary penalties.

Special assessments are part of the sentence for offenders of Federal crimes, applied on a per-count basis. The money is used to fund the Crime Victims Fund used to recompense victims of offenses against Federal law.

2.3

AUDIT OUTCOMES FOR FY 2023

We conduct independent and objective audits and reviews of DOT programs and activities to ensure they operate economically, efficiently, and effectively. Significant issues reviewed this fiscal year include:

IIJA fraud risk assessments.

The Department can make improvements to its fraud risk assessment processes—including incorporating leading practices from U.S. Government Accountability Office—to better identify, assess, and address fraud risks in its programs.

Contract award and

administration. Insufficient oversight and guidance, staffing issues, inadequate training, and other priorities impacted DOT's ability to timely meet Federal Contractor Performance Assessment Reporting System reporting deadlines and to make informed award decisions in the future. Operating Administration officials frequently did not timely register contracts or complete contractor performance assessments within recommended timeframes.

Tunnel safety. FHWA has established a comprehensive tunnel

safety program and internal database to monitor critical tunnel safety risks, but the Agency lacks clear guidance and scope on how to identify, classify, and inventory structures as tunnels.

FAA risk assessment processes.

Following the Boeing 737 MAX accidents, FAA took actions in alignment with its post-event risk assessment processes. However, we identified areas for improvement that may impact the Agency's future accident responses.

NHTSA investigative procedures.

Although it has made progress in enhancing its risk-based investigative processes, NHTSA's Office of Defects Investigation did not meet its timeliness goals for five investigation types we examined and did not timely upload its documentation to the public website.

Pilot mental health. FAA has a comprehensive evaluation process to assess pilots with mental health challenges, but the Agency's ability to mitigate pilot mental health-related safety risks is limited by pilots' reluctance to disclose mental health conditions.

Audit Accomplishments



47

audit reports issued



201

recommendations



\$400.9m

total financial impact
of OIG audits

Completed Audits by Type

reports		47
performance audits	26	financial audits 9
audits under Single Audit Act	10	attestation engagements 1
other	1	
recommendations		201
performance audits	146	financial audits 47
audits under Single Audit Act	8	attestation engagements 0
other	0	
financial impact		\$400.9 million
performance audits	\$374.0 million	
audits under the Single Audit Act	\$26.9 million	
financial audits	\$0	
attestation engagements	\$0	
other	\$0	
<i>unsupported costs</i>	\$304.7 million	<i>funds put to better use</i> \$69.3 million
<i>questioned costs</i>	\$26.9 million	

Types of Audits

Performance audits provide findings or conclusions based on an evaluation of sufficient, appropriate evidence against criteria.

Audits under Single Audit Act are examinations of an entity that expends \$750,000 or more of Federal assistance.

Financial audits determine whether the reported financial conditions, results, and use of resources are presented fairly in accordance with recognized criteria.

Attestation engagements evaluate the assertions of another party for compliance with agreed-upon standards and procedures.

Financial Benefits

Unsupported costs are found when the use of funds may have been proper but the recipient did not properly document the use.

Questioned costs are found when we identify a grant recipient's improper use of funds (such as an overpayment to a contractor) and the funds should be recovered.

Funds put to better use are found when we identify an ineffective DOT program or operation, policy, process, contract, or grant, and improvements could help make more efficient use of related funds.

WHAT WE DO AND HOW WE OPERATE



3.1

INVESTIGATIVE PROCESS



Allegations Received

Allegations of fraud, waste, abuse, and other irregularities concerning DOT programs and operations are received from various sources, including:

- Hotline complaints via website, phone, email, and fax.
- Referrals from Government entities, including other law enforcement agencies, Congress, the U.S. Office of Special Counsel, the U.S. Government Accountability Office, and DOT officials.
- Internal OIG audit referrals, investigative analyses, and other compelling sources.
- *Qui Tam* lawsuits referred for investigation by the Department of Justice.

Preliminary Review

Allegations are preliminarily reviewed to determine if OIG investigative attention is warranted.

- Is the matter within DOT's jurisdiction?
- Is the allegation credible (for example, reasonably detailed)?
- Would the allegation constitute a violation?
- What is the best way to address it? Through OIG criminal, civil, or administrative investigation; or referral to an Operating Administration or other Government agency?

Investigative Activity

Investigations are conducted through a variety of activities, including record reviews and document analysis; witness and subject interviews; IG and grand jury subpoenas; search warrants; special techniques, such as consensual monitoring and undercover operations; and coordination with other law enforcement agencies, such as the Federal Bureau of Investigation, as appropriate.

www.oig.dot.gov

Investigative Outputs

Upon completing an investigation, reports and other documents may be written for use by senior decision makers and other stakeholders, including prosecuting attorneys and DOT management.

- Results of OIG's administrative investigations, such as employee and program integrity cases, are transmitted to Operating Administration officials, along with recommended actions.
- OIG's criminal cases are prosecuted through U.S. Attorney Offices nationwide, as well as U.S. Department of Justice prosecutorial elements in Washington, DC. Criminal cases can also be prosecuted by State and other local jurisdictions.
- OIG monitors the results of those investigations conducted by Operating Administrations based on our referrals.
- Matters may be referred to Operating Administrations for suspension or debarment decisions.

3.2

INVESTIGATIVE PRIORITIES

Transportation Safety Investigations

The goal of these investigative operations is to enhance DOT's transportation safety goals by investigating crimes where death or serious bodily injury has or is likely to occur. These types of investigations typically involve parties that egregiously violate DOT's safety regulations and statutes. Our investigations—and resulting prosecutions—are separate but complementary to the regulatory enforcement programs of DOT's Operating Administrations. The availability of criminal sanctions sends a message to violators who consider regulatory/civil penalties as a cost of doing business. Within this priority are three sub-areas:

- Aviation safety investigations typically involve counterfeit or substandard aircraft parts, falsified aircraft and aircraft parts maintenance records, and false certifications involving pilot and mechanic licensing and maintenance records.

- Motor carrier safety investigations include falsified drivers' hours-of-service logs, fraudulently obtained commercial drivers' licenses, falsified truck or bus maintenance records, and fraudulent testing of commercial drivers for drug and alcohol abuse.
- Hazardous materials investigations concern the illegal and undeclared shipment of hazmat in all modes of transportation.

Procurement and Grant Fraud Investigations

The goal of these investigations is to protect the loss of Federal transportation dollars by investigating fraud by grantees, grant recipients, and DOT contractors. In addition, they help ensure a level economic playing field for American workers and disadvantaged business enterprises (DBE) in the distribution of Federal transportation funds. Fraud typically seen in DOT procurements and grants includes allegations of bribery and corruption, bid rigging, false claims, labor and materials

over-charging, DBE fraud, and product substitution. OIG's Office of Investigations also has a proactive fraud awareness and education outreach program.

Public Interest Investigations

These investigations aim to address issues that directly impact the public or OIG's law enforcement partners and also promote improvements to DOT's programs. They include unmanned aerial systems (UAS), lasers, household goods/moving companies fraud, and medical certificate fraud related to both commercial driver's licenses and airmen certificates.

Employee Integrity Investigations

The goal of these investigations is to promote program integrity by investigating serious DOT employee misconduct. These investigations address violations involving DOT employees, such as time and attendance fraud, misuse of Government property or funds, conflicts of interest, ethics violations, and other prohibited actions.

3.3

LAW ENFORCEMENT AUTHORITY

OIG special agents have permanent statutory Federal law enforcement authority to conduct criminal investigations—including the authority to make arrests, obtain and execute warrants, and carry firearms. OIG exercises its law enforcement authority in accordance with U.S. Department of Justice (DOJ) requirements and guidelines, including the following:

Training

All OIG special agents are subject to rigorous law enforcement training at the Federal Law Enforcement Training Center. This training is the same as that completed by most other Federal law enforcement agencies.

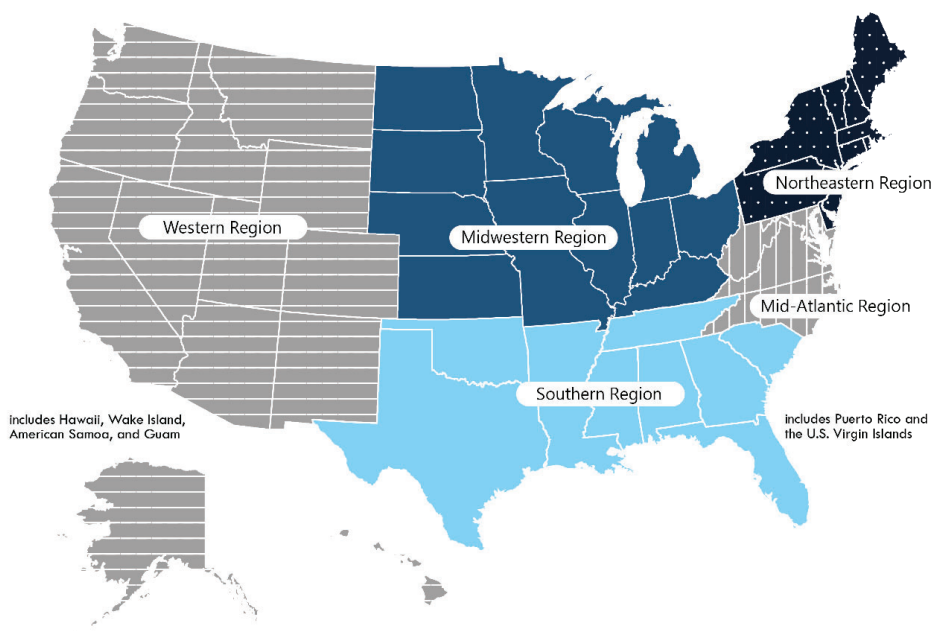
Use of Force Policy

OIG's policy on use of force is derived from the Federal Bureau of Investigation's and DOJ's policies.

Our policy addresses all types of use of force situations that may arise during our investigations. All OIG special agents are trained quarterly on use of force.

External Peer Reviews

OIG's investigative function is subject to external peer reviews conducted by other Federal OIGs at least once every 3 years to ensure adequate internal safeguards and management procedures.



3.4

AUDIT PROCESS

The Office of Auditing and Evaluation includes auditors, analysts, information technology experts, economists, statisticians, engineers, and other specialists at DOT's Washington, DC, headquarters and field offices around the country.

Reasons for Initiating Audits

- Laws, such as annual appropriation acts, authorization acts, the Federal Information Security and Management Act, and the Chief Financial Officers Act.
- Requests from Congress, senior Department officials, and other Government officials.
- Referrals from OIG's Office of Investigations.
- Self-initiation.

Types of Audits

- Performance audits reviewing the efficiency and effectiveness of DOT programs and operations.
- Financial audits include financial statement audits and attestation engagements.

Audit Phases

- Proposal: The audit team researches the audit topic, develops an audit plan, and proposes audit objectives.
- Survey: The audit team refines the objectives, scope and methodology, and milestones.
- Verification: The audit team gathers and analyzes evidence and develops findings and recommendations.
- Report Development: A draft report on our findings and recommendations is written and reviewed by internal stakeholders and sent to the audited agency for review and comment.
- Report Issuance: The final report is issued and transmitted to the audited agency, the Office of the Secretary (OST), the Office of Management and Budget (OMB), and congressional committees of jurisdiction.
- Follow-up: OIG continues to monitor DOT's actions taken to address the recommendations made in our final report.

Stages and Outcomes of the Audit Process



Communicating During the Audit

We maintain an open line of communication with the Department and requestors throughout the audit process.

- At the start of an audit, OIG formally notifies the Operating Administration through an announcement letter, which lists the elements within DOT to be audited, the audit objectives, the expected start date, and the OIG Audit Team Program Director and Project Manager. Announcement letters are publicly available on OIG's website.
- At the conclusion of field work, the audit team conducts an exit conference with the Operating Administration to discuss the audit results.
- The draft report is typically given to the Operating Administration for formal written comments. Agency comments are included as an Appendix to the final report. All final reports must have some indication that the audited agency had opportunity to comment either in writing or orally before the report is issued.

- Final reports are posted on OIG's website for the public, typically 2 business days (but no more than 3 calendar days) after issuance, unless otherwise prohibited from public release due to protected sensitive information.

Audit Standards

Audits comply with the U.S. Government Accountability Office's generally accepted Government auditing standards (GAGAS), commonly referred to as the "Yellow Book." Government auditors ensure integrity and objectivity by using these standards and guidance, which govern:

- Independence
- Professional judgment
- Competence
- Quality control and assurance
- Planning
- Supervision
- Obtaining sufficient, appropriate evidence
- Audit documentation

- Reporting
- Standards established by the American Institute of CPAs (for financial and attestation audits)

External Peer Reviews

OIG's audit function is subject to external peer reviews conducted by other Federal OIGs at least once every 3 years to ensure adequate internal safeguards and management procedures.

3.5

PUBLIC RELEASE OF OIG WORK PRODUCTS

Process for Distributing Reports and Work Products

- Once a draft audit report is issued, it is provided to the audited agency for review and comment. The audited agency generally has 30 calendar days to respond to OIG’s draft audit report. The agency may request an extension of an additional 15 calendar days for review, which OIG may grant at its discretion. Congressionally mandated deadlines may prevent OIG from being able to grant an extension.
- Approximately 3 weeks before issuing a final report, OIG provides notice and summarizes the audit objectives in a weekly report to the Secretary.
- Once agency comments have been received and any changes are made to the draft audit report, we distribute a final report to (1) the DOT addressee and senior OST/ Operating Administration officials, (2) congressional staff on committees of jurisdiction, and (3) OMB transportation policy staff.
- Generally, on the second business day (but no more than 3 calendar days) after issuing and distributing a final report to the Department and Congress, OIG makes the report publicly available on our website per the IG Act—except when the Department has determined the report cannot be released to protect sensitive information.
- Note, however, that if a report is made public by those outside OIG during these interim “hold” periods, we will make the report available to the public on our website at that time.
- OIG does not solicit media attention for its reports, nor do we release “embargoed” copies or summaries of reports to the media in advance of their public release. We rely on our website and social media tools to notify media and the public when an item has been made public.
- Summaries of investigations are typically made publicly available on OIG’s website when a subject is indicted, a plea or conviction is made, or when the defendant is sentenced.

Public Release Schedule

Work Product	Public Release Date	DOT Comment
OIG Semiannual Report	By May 30 and November 30	x
DOT Top Management Challenges Report	By November 15	x
Final Audit Reports	Generally on the 2nd business day (but no more than 3 calendar days) after issuance and delivery to DOT and Congress	x
Management Advisories	Generally on the 2nd business day (but no more than 3 calendar days) after issuance and delivery to DOT and Congress	
Controlled Correspondence	Generally on the 2nd business day after issuance and delivery to the recipient	
Audit Announcements	Upon issuance and delivery to DOT	
Investigative Summaries	When information regarding an investigation is deemed to be public by the prosecuting official	
Reports of Investigation	Subject to FOIA review process	
Testimony Statements	Upon commencement of a congressional hearing	

Types of OIG work products

Management advisories

are issued periodically to alert DOT officials of significant issues that emerge during an audit and warrant immediate attention.

Controlled correspondence

includes official congressional, DOT, and interagency correspondence and may include non-audit reviews containing no audit recommendations.

Investigative summaries

describe publicly released criminal and civil actions such as indictments, convictions, sentencing, and civil settlements, as well as significant administrative actions such as suspensions and debarments.

4.1

ROLE OF INSPECTORS GENERAL

In accordance with the Inspector General Act of 1978, as amended (the IG Act), some Federal Inspectors General (IG) are appointed by the President subject to Senate confirmation—as is the case for the DOT IG—while the remainder are appointed by the agency head, governing board, or commission.

According to the IG Act, the role of an IG is to prevent and detect waste, fraud, and abuse and to promote economy, efficiency, and effectiveness in each agency's programs and operations.

IGs are nonpartisan and are selected without regard to political affiliation. Unlike other political appointees, IGs typically remain in office when Presidential Administrations change. IGs have a dual reporting requirement—to their agency heads and to Congress. IGs are required by the IG Act to keep both fully and currently informed about problems and deficiencies in their agencies' programs and operations, as well as the necessity for and progress

of corrective action. In addition, the IG is required to expeditiously report to the Attorney General for prosecutorial consideration whenever the IG has reasonable grounds to believe there has been a violation of Federal criminal law.

Although IGs are located within agencies, they maintain independence from their respective agencies while conducting their work. For example, agency heads may not prevent the IGs from initiating, carrying out, or completing any audit or investigation, except in limited circumstances. IGs must maintain their independence, in both reality and in appearance, to provide credible oversight. In addition, IGs must have direct and prompt access to agency heads.

OIG Access Authority

Under the IG Act, IGs have broad statutory authority, including access to all agency records, information, and employees. IGs also have the authority to subpoena relevant documents and information from non-Federal organizations and individuals. Access is a bedrock

principle upon which OIGs are able to build independent and objective reviews. The IG Act requires the IG to include in its Semiannual Report to Congress a detailed description of any incidents where the Department has "resisted or objected to oversight activities of the Office or restricted or significantly delayed access to information, including the justification of the establishment for such action." Additionally, recurring annual appropriations laws prohibit DOT funds from being used to deny the Inspector General "timely access to any records, documents, or other materials available to the department or agency." The Inspector General must report to the House and Senate Appropriations Committees within 5 calendar days any failures to comply with this requirement.

4.2

INTERACTIONS BETWEEN OIG AND DOT

The Inspector General

To fulfill the obligation to keep the Secretary fully and currently informed, the IG regularly meets with senior Department officials and provides a weekly report to the Secretary that highlights the following: significant schedule information for the IG and the Deputy IG, including congressional testimonies or speeches; upcoming audit reports and other significant activities; and updates on recent matters, such as summaries of investigations, including indictments, convictions, and sentencings.

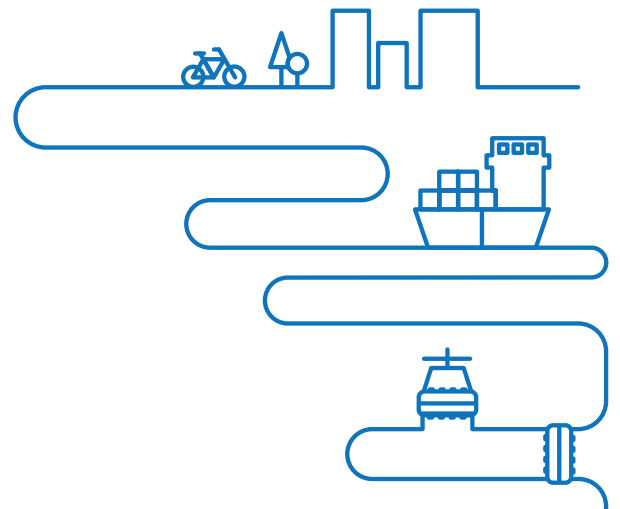
Office of Auditing and Evaluations

DOT sets out its internal operations in various Orders and Policies, including interactions pertaining to OIG audits. During audit work, audit team managers communicate directly with DOT and Operating Administration officials, including executives, program officials, and audit liaisons. This communication can occur both formally (e.g., in

the form of comments to draft OIG audit reports) and informally (e.g., ongoing conversations among staff).

Office of Investigations

DOT and its Operating Administrations have an obligation to report all potential criminal matters to OIG. DOT sets out its internal operations in various Orders and Policies, including interactions pertaining to OIG investigations. Unlike with audit reports, OIG does not regularly update DOT or the Operating Administrations about ongoing investigations.





U.S. Department of Transportation
Office of Inspector General

Fraud, Waste, & Abuse



Hotline

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

hotline@oig.dot.gov

(800) 424-9071