



UNITED STATES CAPITOL POLICE OFFICE OF INSPECTOR GENERAL SEMIANNUAL REPORT TO CONGRESS



April 1, 2015 – September 30, 2015

United States Capitol Police



History

Created by Congress in 1828 following an assault on a son of John Quincy Adams in the Capitol Rotunda, the original duty of the United States Capitol Police (USCP or the Department) was to provide security for the United States Capitol Building. Its mission has expanded to provide the congressional community and visitors with a variety of police services. Those services are provided through a variety of specialty support units, network of foot and vehicular patrols, fixed posts, full-time Containment and Emergency Response Team, Canine (K-9) Unit, Patrol/ Mobile Response Division, and full-time Hazardous Devices and Hazardous Materials Sections. USCP had 1,741 sworn and 354 civilian employees as of September 19, 2015.

Mission

Today's USCP officer has the primary responsibility of protecting life and property; preventing, detecting, and investigating criminal acts; and enforcing traffic regulations throughout a large complex of congressional buildings, parks, and thoroughfares. With the signing of Public Law 112-74, USCP was given jurisdiction over the Capitol Reflecting Pool and Union Square—adding to its concurrent jurisdiction with other police agencies, including the United States Park Police and Metropolitan (D.C.) Police, of an area approximately 200 blocks around the Capitol Complex. USCP is also charged with the protection of Members of Congress, officers of Congress, and their families throughout the entire United States, its territories and possessions, and the District of Columbia.

Office of Inspector General



History

With Public Law 109-55 (August 2, 2005), Congress directed that the Capitol Police Board appoint an Inspector General (IG) for the Department. The IG was to be appointed without regard to political affiliation and solely on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations.

On July 12, 2006, the Chairman of the Capitol Police Board swore in the first IG for the Department at USCP Headquarters—the Eney, Chestnut, Gibson Memorial Building in Washington, D.C. On August 11, 2013, Fay F. Ropella began her tenure as the second IG for the Department.

Mission

The IG is responsible for conducting and supervising audits and investigations relating to the programs and operations of the Department. The Office of Inspector General (OIG) examines, evaluates and, where necessary, critiques programs and operations, recommending ways to carry out departmental responsibilities in the most effective, efficient, and economical manner possible. OIG also audits, investigates, and oversees matters related to the Department's programs and operations, consistent with applicable laws, regulations, and policies.



Message from the Inspector General



I am pleased to present this Semiannual Report to Congress as Inspector General of the United States Capitol Police (USCP or the Department). This report summarizes work the USCP Office of Inspector General (OIG) initiated and completed for the period April 1, 2015, through September 30, 2015. The audits, evaluations, analyses, and investigations we describe illustrate OIG efforts in promoting the efficiency and effectiveness of USCP programs and operations.

During this period, Audits issued four reports: *Performance Audit of USCP Controls Over Proximity Cards*, Report Number OIG-2015-05; *Applying Agreed-Upon Procedures: United States Capitol Police Restricted Duty Program*, Report Number OIG-2015-08; *Independent Accountants' Report on Agreed-Upon Procedures of United States Capitol Police Leave Restriction Status*, Report Number OIG-2015-09; and *Performance Audit of the United States Capitol Police's Fiscal Year 2015 Information Security Program*, Report Number OIG-2015-10. Additionally, Audits conducted a *Modified Peer Review Report of the Federal Trade Commission OIG Audit Organization* (Report Number OIG-2015-07), as *Government Auditing Standards* require.

At the end of the reporting period, Audits had on-going the audit of the USCP financial statements for the period ending September 30, 2015, as well as developing the OIG Fiscal Year 2016 annual performance plan and management challenges for the Department.

Investigations continued to receive and evaluate Hotline complaints and conduct outreach with USCP personnel including recruit officer classes. OIG received 49 complaints, initiated 5 investigations, and closed 2 cases during this reporting period. Additionally, Investigations conducted an *Analysis of United States Capitol Police Firearms Controls*, (Report Number OIG-2015-06) and a *Survey of the United States Capitol Police Security Services Bureau*, (Report Number OIG-2015-11).

OIG provided correspondence to the Committee on Homeland Security and Governmental Affairs and to the Committee on the Judiciary related to open and unimplemented recommendations; investigations involving GS-15 level or above employees; whistleblower retaliation; and attempts to interfere with Inspector General independence.

Notwithstanding the challenges we faced during this semiannual reporting period, OIG staff members are fully committed to promoting the efficiency and effectiveness of the Department's programs and operations. I commend USCP, the Capitol Police Board (Board), and members of the oversight community for their professionalism and devotion to the USCP mission. We thank the officers whose service and sacrifice inspire our goal to achieve excellence through unity.

In closing, we look forward to the continued support of Congress, the Board, the Chief of Police, and the Department as we strive to use our oversight functions to promote accountability, integrity, and efficiency; improve USCP programs and operations; and ensure the most efficient use of taxpayer dollars.

Fay F. Ropella, CPA, CFE
Inspector General

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EXECUTIVE SUMMARY

This Semiannual Report is issued pursuant to the provisions of Section 5 of the Inspector General (IG) Act of 1978, as amended, and summarizes the activities of the United States Capitol Police (USCP or the Department) Office of Inspector General (OIG) for the period April 1, 2015, through September 30, 2015. During this reporting period, OIG continued to direct its available resources toward those areas of greatest risk for the Department. We completed work for promoting the economy, efficiency, effectiveness, and integrity of the Department's programs and operations. The work of each of the OIG components is summarized below.

OIG Audits completed a *Modified Peer Review Report of the Federal Trade Commission OIG Audit Organization*, (Report Number OIG-2015-07), as *Government Auditing Standards* (GAS) require. In addition, Audits issued four reports: *Performance Audit of USCP Controls Over Proximity Cards*, Report Number OIG-2015-05; *Applying Agreed-Upon Procedures: United States Capitol Police Restricted Duty Program*, Report Number OIG-2015-08; *Independent Accountants' Report on Agreed-Upon Procedures of United States Capitol Police Leave Restriction Status*, Report Number OIG-2015-09; and *Performance Audit of the United States Capitol Police's Fiscal Year 2015 Information Security Program*, Report Number OIG-2015-10. At the end of the reporting period, Audits had a variety of ongoing projects such as the audit of USCP financial statements for the period ended September 30, 2015, as well as developing and aligning the OIG Fiscal Year (FY) 2016 annual work plan and management challenges for the Department with USCP's new goals and objectives identified in June 2015.

OIG Investigations received 49 complaints during this reporting period, of which 43 were Hotline complaints and 6 were from other sources. OIG initiated five investigations of senior management and closed two cases. Additionally, Investigations conducted an *Analysis of United States Capitol Police Firearms Controls* (Report Number OIG-2015-06) and a *Survey of the United States Capitol Police Security Services Bureau* (Report Number OIG-2015-11).

Throughout this reporting period, OIG continued work with stakeholders to maintain and foster open and effective relationships. As an example of that work with stakeholders, OIG continued its active engagement with the Chief of Police (Chief), Capitol Police Board (Board), and Congress through meetings, briefings, and dialogue with members and staff of the Department's authorizing and appropriation committees and subcommittees on a range of issues relating to the work of OIG and USCP. OIG also continued outreach activities by providing briefings to new employees and recruit officer classes. Additionally, OIG continues as a contributing participant in the activities of the Council of Inspectors General on Integrity and Efficiency (CIGIE), which was statutorily established to enhance efforts to promote integrity and efficiency and to detect and prevent fraud, waste, and abuse in Federal programs. Further, the IG continued participating in legislative branch OIG activities such as regular meetings with other Inspectors General.

LEGISLATION MONITORED

OIG reviewed and monitored the following legislation:

H.R. 1557, *Federal Employee Antidiscrimination Act of 2015*

H.R. 2395, *Inspector General Empowerment Act of 2015*

H.R. 2995, *Financial Services and General Government Appropriations Act, 2016*

H.R. 3328, *Small Business Regulatory Sunset Act of 2015*

S. 579, *Inspector General Empowerment Act of 2015*

S. 754, *Cybersecurity Information Sharing Act of 2015*

S. 1910, *Financial Services and General Government Appropriations Act, 2016*

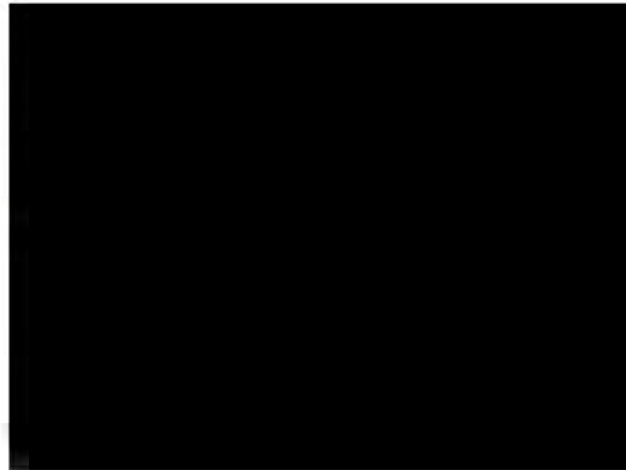


VALUE ADDED

While working alongside the Department, during this reporting period OIG added significant value, which allowed the Department to obtain additional funding from recycling spent shell casings and continue progress in resolving open recommendations as shown by the Department's implementation of OIG recommendations.

Recycling Spent Shell Casings

Brass casings have significant value. OIG recommended that the Department recycle brass shell casings [REDACTED] determining that the Department could generate about \$5,000 and \$10,000 each year. USCP was not benefitting from recycling spent shell casings at the firing range. USCP immediately implemented the recommendation and between January 15, 2014, and June 16, 2015, USCP received more than \$12,000 from recycling the casings.



Continued Progress in Resolution of Open Recommendations

Since its inception in July 2006, OIG has made 298 recommendations for improving USCP programs and operations. During this reporting period, the Department continued to make progress ensuring that recommendations are fully implemented in a timely manner. As a result, OIG closed 17 open recommendations, some of those recommendations older than 6 months. The Department continues to work in fully implementing other recommendations, and OIG is optimistic that it will continue to close additional recommendations.

Report Title	Report Number	Recommendations Closed
Independent Audit of USCP Enterprise Architecture	OIG-2012-01	2
Performance Audit of USCP Canine (K-9) Program	OIG-2013-04	1
Performance Audit of Library of Congress Division Special Events Unit Reimbursement Process	OIG-2013-06	1
Evaluation of Dignitary Protection Division	OIG-2013-07	1
Performance Audit of USCP Controls Over Ammunition	OIG-2014-03	2
Performance Audit of Hazardous Materials Response Team	OIG-2014-05	1
Performance Audit of USCP Controls Over Evidence	OIG-2015-03	1
[REDACTED]	[REDACTED]	[REDACTED]
Performance Audit of USCP Controls Over Proximity Cards	OIG-2015-05	4
Total		<u>17</u>

PROACTIVE EFFORTS

Major Management Challenges

The *Reports Consolidation Act of 2000* requires that OIG identify and report annually on the most serious management challenges USCP faces. To identify challenges, we routinely examine issued audit reports where corrective actions have yet to be taken, assess ongoing investigative and audit work to identify significant vulnerabilities, and analyze new programs and activities that could pose significant challenges because of range and complexities. We discussed current challenges with USCP officials and considered comments received.

As in previous years, last year we reported on major challenges we believed were the most significant management issues facing USCP. We expect to issue the management challenges for the Department in October 2015.

OIG Annual Performance Plan

On June 29, 2015, to ensure that OIG priorities appropriately consider stakeholder needs, we sought input from the Department, the Board, and our congressional oversight committees in developing our *Annual Performance Plan for FY 2016*. We assessed the nature, scope, and inherent risks of USCP programs and operations. The assessment forms the basis for establishing our strategic and annual performance plans, including objectives, and scope of work the OIG will accomplish within a specific time period. Our annual performance plan is the OIG “roadmap” for audits, inspections, and proactive investigations, which we plan to conduct each fiscal year to evaluate the Department’s programs and operations. We expect to issue our annual performance plan in October 2015.

Outreach Activities

As part of our continuing efforts for promoting accountability through better awareness of the OIG role, mission, and services, we actively participated in presentations to Department managers and employees. We continue our proactive initiative for strengthening accountability by providing fraud prevention and awareness training to Department personnel, as shown in Figure 2.

Figure 2: The Assistant Inspector General for Investigations conducts outreach with recruit officers.



Source: OIG Photograph.

AUDITS

Performance Audit of USCP Controls Over Proximity Cards (OIG-2015-05)



The USCP OIG contracted with an independent public accounting firm to conduct a performance audit of USCP proximity cards (prox cards). The objectives were to determine (1) the effectiveness of USCP's internal control over prox cards to ensure accountability of those sensitive items, and (2) whether USCP complied with applicable policies and procedures as well as pertinent laws and regulations. We also followed up on the status of previous recommendations the OIG for the U.S. House of Representatives (House OIG) made. Our scope included controls, processes, and operations related to USCP-controlled security objects for FY 2014.

Prox cards are an important resource and when used properly can significantly reduce security risks. However, controls over the prox card process have not been effective within the Department. In response to House OIG audit recommendations, the Security Services Bureau (SSB) drafted the [REDACTED] Standard Operating Procedure (SOP) in 2011 to outline the role of a security manager and to define controls related to prox cards. The Department has not, however, formally adopted the SOP. Since implementation, the Department has used the SOP as a best practice, but the document needs improvement.

USCP did not have effective internal controls over separated and transferred employees for prox cards. Policies, procedures, and controls over access clearances were not adequate. As a result, OIG made five recommendations designed to improve controls and accountability over the cards. The Department agreed to implement all of the recommendations. In fact, during this reporting period, the Department closed four of the recommendations and anticipates closing the other in the near future.

AUDITS

Modified Peer Review Report of Federal Trade Commission Audit Organization (OIG-2015-07)



GAS requires that OIG audit organizations perform audits or attestation engagements, maintain an appropriate quality control system, and undergo external peer reviews at least once every 3 years. The CIGIE Audit Committee administers the external peer review program for Federal OIGs. The program is designed to provide reasonable assurance that OIGs carry out work in accordance with established policies and procedures, including GAS and applicable Office of Management and Budget and Government Accountability Office (GAO) guidance, and statutory provisions applicable to OIG. CIGIE assigned the USCP OIG to conduct the external peer review of Federal Trade Commission (FTC) OIG audit function for the period ended March 31, 2015.



Because the FTC OIG did not conduct any audits in accordance with GAS during the review period, our work differed from a peer review in accordance with the *Guide for Conducting Peer Reviews of the Audit Organizations of Federal Offices of Inspector General*. As a result, we conducted a modified peer review of its audit organization for the period ended March 31, 2015. We issued the report on June 30, 2015.

AUDITS

Applying Agreed-Upon Procedures: United States Capitol Police Restricted Duty Program (OIG-2015-08)

As the Department works toward achieving efficiency and effectiveness of its programs as well as reducing costs, the Assistant Chief of Police requested that OIG conduct agreed-upon procedures related to its restricted duty program. We agreed to (1) assess controls and compliance with applicable guidance pertaining to restricted duty decision-making, (2) examine years of service and leave balances related to trends in the population of restricted duty beneficiaries and benefit payments, and (3) suggest options for revising the restricted duty program benefit. OIG analyzed data the Department provided for FY 2013 through March 31, 2015—the most recent years available. OIG reviewed applicable Federal laws, regulations, and program policies; reviewed a non-statistical sample of restricted duty beneficiaries and assignments; and interviewed Department officials, including representatives of the Office of Human Resources (OHR).

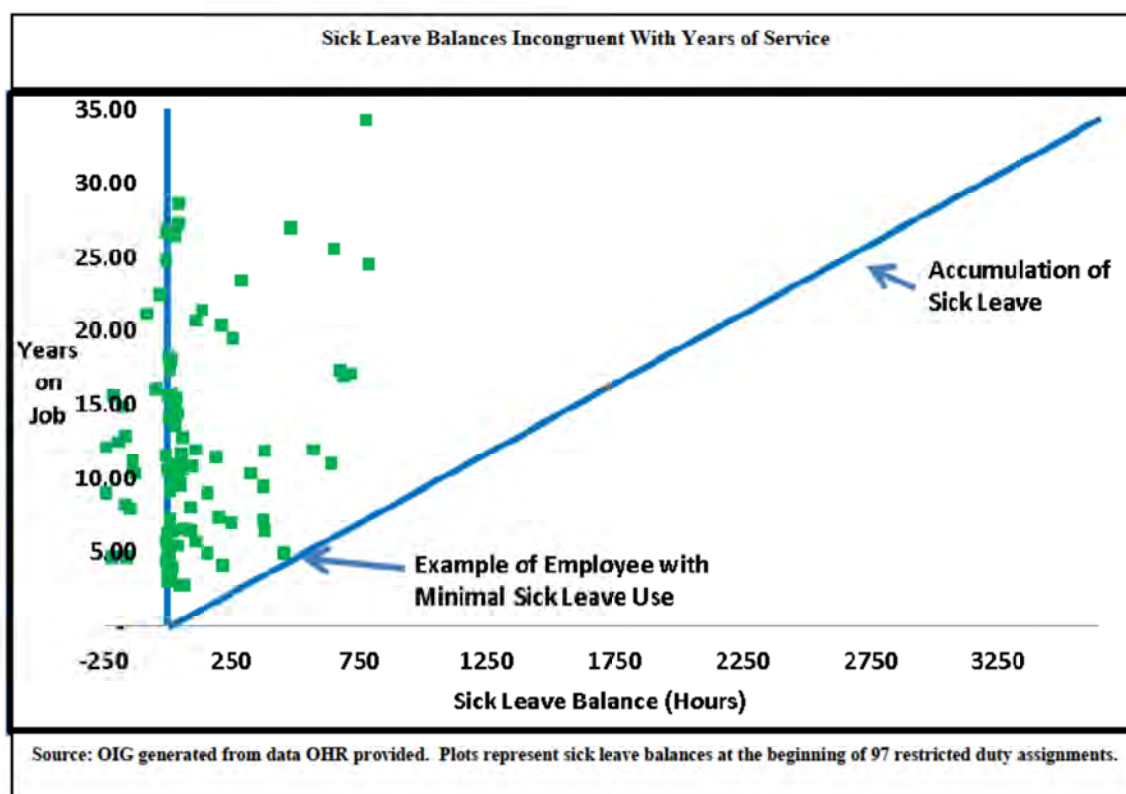
Overall, the Department did not comply with the guidance nor did it have adequate controls that would help ensure the integrity of its restricted duty program. The Department needed to improve the quality and management of procedures for restricted duty assignments, which would ultimately improve overall reporting of manpower availability. For example, the Department did not have up-to-date or finalized policies and procedures for the program. Documents were missing and evidence such as medical professionals visited or the healthcare provider's name used to support assignments was not complete. In addition, in several instances evidence of supervisory approval of assignments was missing. Several employees remained in restricted duty status after a medical professional cleared the employee for full duty. Further, more than 80 percent of employees in a restricted status either failed to clock in or out in any given day. Failure to properly clock in or out occurred primarily because of a lack of oversight and follow-up by responsible officials. When employees know that the Department is not monitoring the program, there could be an incentive to obtain or prolong a restricted duty assignment to avoid other less desirable duties. As a result, this program was potentially subject to waste, fraud, and abuse.

As a result of lax controls and noncompliance with guidance, USCP employees may have misused the restrictive duty program, as the correlation of data shows—including comparison of years of service to low or negative leave balances, multiple restricted duty assignments, and employees continuing outside employment while in a restricted duty status as shown in the chart below. While not necessarily inviting abuse, those instances translate to an increased risk that employees could abuse the program. Because we believed instances occurred in which

AUDITS

Applying Agreed-Upon Procedures: United States Capitol Police Restricted Duty Program (OIG-2015-08) (Cont'd)

potential abuse of the restricted duty program was taking place; OIG referred the information to the Office of Professional Responsibility (OPR) for action.



We concluded that several opportunities existed for the Department to improve its restricted duty program. By identifying accountable individuals and maintaining a list of positions available for its restricted duty program, use of manpower would be more efficient and effective. Revoking the police powers of sworn officers during restricted duty assignments should also reduce requests for restricted duty as well as the length of such assignments.

Applying Agreed-Upon Procedures: United States Capitol Police Restricted Duty Program (OIG-2015-08) (Cont'd)

Modifying the maximum length of time for restricted duty assignments could result in cost savings. As of August 12, 2015, the Department had a draft directive under review that would reduce assignments for restricted duty from a maximum of 12 months to 6 months. Had the length of assignments for the 30 months reviewed been reduced from 12 months to 6 months, we estimated that the Department would have saved about \$2 million, excluding overtime.

To develop more efficient and effective controls over accountability of the program, we made eight recommendations for improving controls and accountability over the restricted duty program. The Department agreed to implement the eight recommendations.

Independent Accountants' Report on Agreed-Upon Procedures of United States Capitol Police Leave Restriction Status (OIG-2015-09)

OIG contracted to conduct agreed-upon procedures for determining the adequacy, effectiveness, and efficiency of policies, procedures, and practices regarding the Department's Leave Restriction Status (LRS) process. In addition, we identified best practices for improving upon processes in effect as of June 30, 2015.

Unscheduled leave negatively affects the Department and its personnel. Using unscheduled leave creates staff shortages that can ultimately result in the need for overtime, which, in turn, can deplete budgetary resources. From a personnel standpoint, it affects the morale of employees¹ who must work extra shifts to provide coverage. LRS is a tool for reducing leave abuse by requiring that an employee provide documentation whenever taking unscheduled time off, whether the result of sick leave or other reasons. According to Article 19 of the Collective Bargaining Agreement (CBA) for sworn officers, supervisors may place an officer in LRS when a pattern of 6 days of unscheduled leave surfaces without documentation or other questionable circumstances within a 6-month period.

¹ Civilian, sworn, or both.

AUDITS

Independent Accountants' Report on Agreed-Upon Procedures of United States Capitol Police Leave Restriction Status (OIG-2015-09) (Cont'd)

The Department had control weaknesses related to the LRS process. Specifically, Department Directives and SOPs were outdated and not adequate with respect to LRS, leading to inconsistent monitoring. As a result, the Department did not consistently identify leave abuse offenders. The condition occurred as a result of inconsistent understanding and application of the process. Neither the Department nor CBA guidance provides instructions for consistent monitoring of leave restriction. For example, USCP did not regularly perform leave audits, which might have identified additional candidates for LRS. A continuous rolling 6-month period and leave audits also would have assisted in monitoring and ensuring uniformity throughout the Department. Communication was not adequate between elements within the Department and supervisors related to LRS decisions. The Department did not have a timeline for notifying supervisors when final LRS decisions were complete or when the OHR sent LRS memoranda to employees. Effective communication would have provided more transparency to the process.

The Department did not have a coordinated approach for efficiently processing and effectively monitoring the LRS process. Supervisors must be aware of the additional level of effort required for submitting a request for LRS. Lack of planning can influence a supervisor's decision to proceed with an LRS request. Implementing additional penalties and progressive restrictions for LRS could ultimately deter unscheduled absences as well as promote appropriate behavior of employees.

Several best practices were identified that could improve Department performance related to LRS. Best practices identified included training for employees and supervisors, better communication through a pre-LRS memorandum notifying both employees and supervisors of LRS decisions and consequences, and independent verification of healthcare consultations.

To develop more efficient and effective controls over accountability and transparency of LRS, OIG made eight recommendations for improving controls and accountability over LRS. The Department agreed to implement the eight recommendations.

AUDITS

Performance Audit of the United States Capitol Police's Fiscal Year 2015 Information Security Program (OIG-2015-10)

In accordance with our annual plan, OIG contracted for an independent performance audit of USCP's information security program. The audit focused on two overarching areas: the Department's vulnerability management practices and its cyber security framework and risk management processes. We considered policies, procedures, and processes for both the USCP Office of Information Services (OIS) and the SSB as of March 27, 2015. We also considered the eight information security topics that the Office of Management and Budget communicated to agencies as priority in the executive branch.



We identified several significant weaknesses in the overall approach to information security. Specifically, OIS and SSB did not have:

- Overarching governance and risk management process allowing for proactive decision-making related to information security.
- Comprehensive policies and detailed procedures allowing for repeatable, reliable information security processes.
- An established mechanism for informing senior management of USCP's risk posture as it related to information security.
- A centralized approach to information security, hampering its ability to effectively implement a comprehensive program. OIG previously reported this finding in a December 2011 performance audit report.²

² *Audit of United States Capitol Police Enterprise Architecture*, Report Number OIG-2012-01, dated December 2011.

AUDITS

Performance Audit of the United States Capitol Police's Fiscal Year 2015 Information Security Program (OIG-2015-10) (Cont'd)

- Lack of risk management framework for documenting policies and procedures, significantly more senior management attention, as well as the integrity, availability, and confidentiality of USCP information systems and data are at risk.
- A relatively small Federal agency, USCP could support more centralized oversight of its information security program. OIS drafted an information security program plan while SSB is still in the very early stages of formalizing an information security plan. Both OIS and SSB are in a similar stage of maturity as relates to building their information security programs, and both indicated they required more resources to fully implement information security programs as intended. Having two units within USCP seeking to achieve similar goals, undergoing similar processes, and potentially acquiring similar tools and technologies in a decentralized manner, is an inefficient use of resources.

USCP was performing well in certain areas of information security. For example, SSB and OIS both conducted regularly scheduled and managed vulnerability scanning. The SSB environment is segregated from the remainder of the OIS environment and from other external networks, which enables SSB to mitigate potential vulnerabilities. While those positive efforts help mitigate the risk to USCP's information security program, addressing the conditions cited earlier is imperative. Implementing an effective information security program will not be an easy or quick process, and it will require significant attention and support from USCP senior management. According to the Acting Chief Information Officer, the Department will use year-end funding to augment an existing contract for additional support assistance in documenting information security policies, which will begin shortly. The Department agreed to implement the four recommendations OIG made for improving controls and accountability.

ON-GOING AUDITS

Audit of USCP Fiscal Year 2015 Financial Statements



In accordance with our FY 2015 Annual Plan, in June 2015 we began an audit of the Department's 2015 principal financial statements. The primary objective of the audit was to express an opinion on whether the Department's financial statements are presented fairly, in all material respects, and in conformity with accounting principles generally accepted in the United States of America. Auditors will evaluate and report on compliance with laws and regulations related to the financial statements. Auditors will also opine on the effectiveness of the Department's internal controls over financial reporting. The

review is based on the *Standards for Internal Control in the Federal Government*, issued by the Comptroller General of the United States, and being conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and GAS, also issued by the Comptroller General of the United States. OIG expects to issue a report on or before December 15, 2015.

Planning, Annual Performance Plan, and Management Challenges

At the end of the reporting period, Audits had a variety of ongoing projects such as planning for potential projects as well as developing and aligning the OIG FY 2016 annual performance plan with USCP's new goals identified in the summer of 2015, and FY 2016 management challenges for the Department.

INVESTIGATIONS

Analysis of United States Capitol Police Firearms Controls (OIG-2015-06) (Investigative Number 2015-I-0004)

On May 21, 2015, [REDACTED]

[REDACTED] requested the USCP OIG conduct an independent analysis of Department policies, procedures, and disciplinary actions related to incidences of unsecured firearms. Because of concerns about incidences of USCP officers leaving firearms unattended in public spaces as shown in Figure 3, [REDACTED] of the Committee expressed concern about whether controls for securing and accounting for firearms were adequate.

Figure 3: Unattended Firearm



Source: CQ Roll Call.

The primary objectives of our analysis were to determine whether USCP (1) had policies and procedures for controlling and safeguarding firearms, (2) complied with policies and procedures, and (3) consistently handled the disciplinary process related to stolen, lost, and unattended firearms. In addition, based on the best available data from other Federal, state, and local law enforcement agencies, we compared those discipline protocols and rates of loss of stolen, lost, and unattended firearms to the Department's disciplinary penalties and rate of loss. Our scope included Department policies, procedures, and disciplinary actions related to securing and accounting for (stolen, lost, and unattended) firearms from October 1, 2009, through May 20, 2015.

The Department established and implemented controls for securing and accounting for firearms. USCP Directives [REDACTED], dated May 28, 2012, and [REDACTED], dated November 19, 2012, require that employees keep Department-issued firearms secured at all times. The Directives also require that "the Department will issue each sworn employee a pistol lock box that may be used to secure the issued firearm at the employee's residence." USCP provides lockers for employees to secure firearms at most, if not all, USCP divisions and offices.

INVESTIGATIONS

Analysis of United States Capitol Police Firearms Controls (OIG-2015-06) (Investigative Number 2015-I-0004) (Cont'd)

USCP complied with policies and procedures related to investigating stolen, lost, and unattended firearms and discipline of employees. For discipline, USCP follows the *Collective Bargaining Agreement Between the FOP³ / U.S. Capitol Police Labor Committee and the United States Capitol Police Effective June 8, 2010* [CBA]. From October 1, 2009, through May 20, 2015, OPR investigated 24 cases of stolen, lost, or unattended firearms. Of the 24 cases investigated, 18 were for unattended firearms and 6 of those 24 were for stolen firearms. OPR did not investigate any cases of lost firearms during that period.

The CBA defines the purpose of discipline as “not solely to punish the employee, but to affect an employee’s behavior in ways positive for both the employee and the Department.” The Department issues suspensions without pay as penalty for substantiated cases of unsecured firearms. The length of time for suspensions the Department issued averaged approximately 5 days. Our analysis revealed that the Department did not have any repeat offenders during the scope period.

Based on data available from other law enforcement agencies, the Department’s policies, procedures, and disciplinary actions are comparable to other Federal, state, and local law enforcement agencies. USCP actually had a lower rate of stolen, lost, or unattended firearms from October 1, 2009, through May 20, 2015, than the rates of lost, stolen, or missing firearms reported in audits of other Federal law enforcement agencies.

The Department was finalizing a new directive for discipline as well as developing a new table of penalties that will cover all offenses and address recent events. The Chief was considering increasing the length of time of suspensions for stolen, lost, or unattended firearms from the current 5 days to 30 days. In response to the recent events of unattended firearms, the Department issued Bulletin [REDACTED], effective May 21, 2015, which addressed off-range firearms safety and security and requires that sworn officers complete the course when the officers respond to the range for their biannual weapons qualifications. In addition, Bulletin [REDACTED], effective May 29, 2015, requires that sworn employees complete training by July 17, 2015. Because the Department was in the process of implementing major changes related to disciplinary penalties, OIG did not make any recommendations at that time.

³ Fraternal Order of Police, District of Columbia Lodge No. 1.

INVESTIGATIONS

Survey of the United States Capitol Police Security Services Bureau (OIG-2015-11) (Investigative Number 2015-I-0006)

In accordance with the OIG annual plan and as part of our general oversight responsibility for the Department, we conducted a survey of the USCP SSB to assess its operations to better plan for future work. Our primary survey objective was to gain a better understanding of SSB, including the mission of its divisions and offices and define operational relationships between those offices and the Department. Our scope included divisions and offices, policies, and processes within SSB as of August 2015. Because we did not conduct an audit—the objective of which would be the expression of an opinion on SSB programs—we did not express an opinion and did not make any recommendations at this time.

Future work for OIG could include audits, inspections, or evaluations of SSB's compliance with policies and procedures. The last time SSB updated certain guidance was in 2001. USCP and the Architect of the Capitol (AOC) had not updated the memorandum of understanding (MOU) outlining responsibilities for security systems and infrastructure within the Capitol Complex since 1997. According to the GAO *Standards for Internal Control in the Federal Government*, GAO/AIMD-00-21.3.1, November 1999, a good control environment requires that an agency's organizational structure clearly define key areas of authority and responsibility and establish appropriate lines of reporting. Control activities are an integral part of an entity's planning, implementing, reviewing, and accountability for stewardship of Government resources, and achieving effective results. Control activities are also the policies and procedures, techniques, and mechanisms that enforce management's directives and, as such, help ensure management takes action that address risks.

As of July 9, 2015, SSB had a support staff of 102 contractors. The SSB FY 2016 General Expenses budget request was approximately \$20.2 million and included about \$8 million, or 40 percent, for contract costs. Because OIG has identified acquisition management as a major management challenge for the Department for numerous years, potential future OIG work could include management of SSB contracts, which could identify internal control weaknesses, mismanagement, or fraud. Other areas for potential audits include redundant services or resources resulting from the Department's decentralized information technology function. Separate information technology groups exist within OIS and SSB. In our annual plan, OIG is including an analysis of SSB's contracts.

INVESTIGATIONS

Allegations of Inappropriate Dissemination of Law Enforcement Information (Investigative Number 2015-I-0002)

OIG received allegations that an Inspector in the Department knew that a Sergeant provided crime scene photos to the press and did not take any supervisory action, despite being aware that the Sergeant's act violated Rule [REDACTED] of the Department's [REDACTED]. In addition, the Inspector sent the Sergeant photos mocking another Inspector and other senior officials, in violation of Rule [REDACTED] and Rule [REDACTED]. OIG received the information as part of OPR's on-going investigation of the Sergeant (Case Number [REDACTED]). We obtained and reviewed documents relevant to the investigation and interviewed anyone with potential knowledge of the facts and circumstances about the matter. OIG and OPR both substantiated that the Sergeant violated USCP Directive [REDACTED] by exhibiting behavior that brought the Department into disrepute as well as reflected discredit as an employee of the Department by releasing sensitive information without approval and in violation of Departmental policies. We forwarded the results of our investigation to the Department for appropriate action.

Investigation of Inappropriate Remarks by a Senior Member of the Department (Investigative Number 2015-I-0003)

Based on information from an anonymous source, interviews, and review of emails, a USCP Director made inappropriate remarks to a USCP Inspector—a violation of Rule [REDACTED] and Rule [REDACTED] of the [REDACTED]. In addition, according to sworn officers, the Director displayed unprofessional and inappropriate behavior toward African American female sworn officers. Although none of the female officers interviewed made a formal complaint against the Director, at least one officer, a lieutenant, stated his "habit of being playful, hands on, getting close gets a little awkward." The Director is a touchy feely kind of guy and a close talker and I find him a little creepy." Other officers stated that they found the Director's behavior "unprofessional"—a violation of Rule [REDACTED] and Rule [REDACTED] of the Department's [REDACTED]. The Director subsequently resigned, and OIG closed its investigation on September 4, 2015.

INVESTIGATIONS

Investigation of Allegations of Misconduct by Senior Members of the Department (Investigative Number 2015-I-0005)

As part of an on-going OPR investigation (Case Number [REDACTED]) alleging that a Sergeant released crime scene photos, OPR provided information to OIG of potential misconduct by senior members of the Department. Specifically, an Inspector knew that the Sergeant provided crime scene photos to the press, but the Inspector failed to take supervisory action despite knowing that the Sergeant violated departmental policy—Rule [REDACTED] of the [REDACTED]. That same Inspector also sent photos to the Sergeant mocking another Inspector in violation of Rule [REDACTED] and Rule [REDACTED] of the Department's [REDACTED].

OIG did not find any evidence supporting the allegation that the Inspector knew or condoned the Sergeant providing crime scene photos to the press; however, OIG did find evidence supporting that the Inspector knew and condoned his subordinates making and disseminating disparaging photos of another Inspector and other senior members of the Department, including the House Sergeant of Arms, as well as outside entities, while on official duty and on Government computers in violation of USCP Rules [REDACTED] and [REDACTED].

In addition, OIG found supporting evidence that another Inspector and Captain knew of the photos and those responsible for making them and those supervisors did not take any supervisory action to stop the activity occurring during official duty hours and on Government computers—a violation of Rule [REDACTED] of the [REDACTED].

According to the Lieutenant, the two Lieutenants created the disparaging photos during official duty hours and on Government computers in violation of Rule [REDACTED].

On September 8, 2015, OIG referred this case to the Department for administrative action related to five individuals (two Inspectors, Captain, and two Lieutenants).

INVESTIGATIONS

Inquiry into Allegations of a Hostile Work Environment (Investigative Number 2015-I-0007)

OIG conducted an inquiry into allegations of a hostile work environment involving a senior member of the Department. An anonymous complaint alleged that a senior official created a hostile work environment by threatening disciplinary action for employees not meeting on-call duty expectations.

OIG did not find evidence supporting the allegations of a hostile work environment and suggested the senior official formalize and communicate on-call duty status procedures conforming to USCP Directive [REDACTED]. OIG subsequently closed this inquiry on September 29, 2015.

OIG Hotline (1-866-906-2446)

As part of its duties and responsibilities, OIG maintains a toll-free Hotline that provides employees and private citizens an opportunity to relay information regarding fraud, waste, and abuse.



APPENDIX 1 REPORTS ISSUED

OIG-2015-05	Performance Audit of USCP Controls Over Proximity Cards
OIG-2015-06	Analysis of United States Capitol Police Firearms Controls (Investigative Number 2015-I-0004)
OIG-2015-07	Modified Peer Review Report of Federal Trade Commission Audit Organization
OIG-2015-08	Applying Agreed-Upon Procedures: United States Capitol Police Restricted Duty Program
OIG-2015-09	Independent Accountants' Report on Agreed-Upon Procedures of United States Capitol Police Leave Restriction Status
OIG-2015-10	Performance Audit of the United States Capitol Police's Fiscal Year 2015 Information Security Program
OIG-2015-11	Survey of the United States Capitol Police Security Services Bureau (Investigative Number 2015-I-0006)
2015-I-0002	Allegations of Inappropriate Dissemination of Law Enforcement Information (Joint with OPR)
2015-I-0003	Investigation of Inappropriate Remarks by a Senior Member of the Department
2015-I-0005	Investigation of Allegations of Misconduct by Senior Members of the Department
2015-I-0007	Inquiry into Allegations of Hostile Work Environment

APPENDIX 2

RESOLUTION OF REPORT RECOMMENDATIONS

Timely resolution of outstanding recommendations continues to be a priority for the Department as well as OIG. As of September 30, 2015, OIG made a total of 298 recommendations to the Department since OIG's inception. Of those 298 recommendations, the Department has fully implemented 242 (closed), of the remaining 56 open unimplemented recommendations, 35 were older than 6 months as shown in the following table.

Appendix 2 – Unimplemented (Open) Recommendations Older Than 6 Months			
Report Number	Report Title	Recommendation Number	Recommendation
2009-01	FY 2008 FS	Repeat Finding	Payroll Processing – We recommended USCP consistently implement T&A [time and attendance] certification policies and procedures and that timekeepers review all certification reports to ensure that employees and supervisors sign and date reports. (1) USCP management needs to enforce the revised policies and procedures in Special Directive [REDACTED], (2) we also recommended that the supervisor/timekeeper procedures for monitoring T&A include identifying habitual failures in submitting certification reports so that corrective actions can be targeted to those employees, and (3) we recommended that USCP evaluate the feasibility of using [REDACTED], a T&A system, to automate the T&A Certification process.
2011-01	FYs 2010/2009 FS	1.2	
2012-02	FY 2011 FS	1.1	
2013-01	FY 2012 FS	1.1	
2014-01	FY 2013 FS	1.1	
2015-01	FY 2014 FS	1.1	
2009-01	FY 2008 FS	Repeat Finding	Payroll Processing – We recommended USCP consistently implement T&A certification policies and procedures and that timekeepers review all certification reports to ensure that employees and supervisors sign and date reports. (1) USCP management needs to enforce the revised policies and procedures in Special Directive [REDACTED], (2) because the condition has been in existence for many years, we also recommended that the supervisor/timekeeper procedures for monitoring T&A include identifying habitual failures in submitting certification reports so that corrective actions can be targeted to those employees, and (3) we recommended that USCP evaluate the feasibility of using [REDACTED], a T&A system, to automate the T&A certification process.
2011-01	FYs 2010/2009 FS FY	1.3	
2012-02	2011 FS	1.2	
2013-01	FY 2012 FS	1.2	
2014-01	FY 2013 FS	1.2	
2015-01	FY 2014 FS	1.2	
2009-01	FY 2008 FS	Repeat Finding	Payroll Processing – As in the prior year's recommendation, USCP should perform monthly reconciliation between the National Finance Center (NFC) and [REDACTED] to ensure leave balance information is correctly reported in both systems. We also recommended that the OHR implement corrective actions in a timely manner.
2011-01	FYs 2010/2009 FS FY	1.6	
2012-02	2011 FS	1.4	
2013-01	FY 2012 FS	1.3	
2014-01	FY 2013 FS	1.3	
2015-01	FY 2014 FS	1.3	
2009-01	FY 2008 FS	Repeat Finding	Payroll Processing – We recommended that USCP ensure that its employees comply with USCP Special Directive [REDACTED] addressing responsibility to record daily worked hours using [REDACTED] time clocks. We also recommended that USCP enhance its procedures for monitoring employees who show a pattern of not clocking in or out and verify if hours entered in [REDACTED] are actual hours the employees worked.
2011-01	FYs 2010/2009 FS FY	1.9	
2012-02	2011 FS	1.6	
2013-01	FY 2012 FS	1.4	
2014-01	FY 2013 FS	1.4	
2015-01	FY 2014 FS	1.4	

Appendix 2 – Unimplemented (Open) Recommendations Older Than 6 Months			
Report Number	Report Title	Recommendation Number	Recommendation
2009-01	FY 2008 FS	Repeat Finding	Financial Management – We recommended that USCP develop a formal monthly reporting process from the program offices overseeing construction-in-progress to the Office of Financial Management (OFM) and provide signed confirmation that the financial reports from the partner agencies have been reviewed and accepted.
2011-01	FYs 2010/2009 FS	2.2H	
2012-02	FY 2011 FS	2.1	
2013-01	FY 2012 FS	2.1	
2014-01	FY 2013 FS	1.1	
2008-08	Review of Compliance with USCP Hiring Standards and with Directive [REDACTED]	1	Triple III – We recommended that USCP, in coordination with the Board, update its hiring standards and establish a comprehensive hiring directive outlining the Department's vision and goals to create a talented and committed workforce, to support an effective organizational culture, and enhance the overall performance of the USCP workforce.
2012-01	Audit of USCP Enterprise Architecture	1	Enterprise Architecture – We recommended that the USCP Office of Information Systems (OIS) immediately update its strategic plan to define objectives and goals that align with the short- and long-term goals and objectives of the Department. The plan also should incorporate goals on optimizing enterprise- wide information systems performance and accountability.
2012-01	Audit of USCP Enterprise Architecture	2	Enterprise Architecture – We recommended that OIS immediately update its strategic plan to define objectives and goals that align with the short- and long-term goals and objectives of USCP.
2012-04	AUP Time and Attendance System [REDACTED]	1	Time and Attendance – We recommended that USCP immediately enforce its time and attendance policies and procedures to ensure consistency throughout the Department. In addition, the Department should include in performance standards, milestones, and evaluations criteria that will hold supervisors and employees accountable for a lack of compliance as it relates to time and attendance (T&A). The Department may also want to consider other disciplinary actions for noncompliance with T&A policies and procedures.
2012-04	AUP Time and Attendance System [REDACTED]	2	Time and Attendance – We recommended that USCP consider centralizing monitoring of hardship cases through OHR for better monitoring, communication, and oversight.
2012-04	AUP Time and Attendance System [REDACTED]	3	Time and Attendance – We recommended that USCP consider evaluating the utility of all T&A-related reports; revising/adding data elements of those reports, such as summary and individual totals; and standardizing report distribution to appropriate management and timekeeper.
2012-04	AUP Time and Attendance System [REDACTED]	4	Time and Attendance – We recommended that USCP consider discontinuing T&A reports offering little value to supervisors and timekeepers and create and adequately distribute meaningful reports. A report requested by numerous timekeepers was one that identified the dates and times during which a [REDACTED] clock unit was not operational.
2012-04	AUP Time and Attendance System [REDACTED]	6	Time and Attendance – We recommended that USCP continue its efforts to automate fully its labor management system, [REDACTED]. In addition, we recommended that USCP consider integrating the Scheduler, Shift Trading functionalities, Leave Approval Interface, Virtual Time Clock, Electronic Timesheet Certifications, and others that would make its labor management system more efficient and effective. Such integration of functions would allow the Department to understand fully costs associated with performing a duty, such as staffing a door or entrance/exit point.

Appendix 2 – Unimplemented (Open) Recommendations Older Than 6 Months			
Report Number	Report Title	Recommendation Number	Recommendation
2012-04	AUP Time and Attendance System	7	Time and Attendance – We recommended that USCP develop a policy that specifically addresses swiping requirements for monitoring as well as a policy that prescribes consequences for failing to comply with swiping. In addition, the Department should evaluate the need for exempt employees to swipe in lieu of alternate means of recording T&A within necessary internal controls.
2012-04	AUP Time and Attendance System	9	Time and Attendance – We recommended that USCP evaluate the feasibility of pooling timekeeper resources to level imbalanced workloads after the Department has established T&A procedures. Additionally, USCP should revise position descriptions and incorporate timekeeper duties to reflect the amount of time spent on T&A activities.
2013-04	Performance Audit of USCP Canine Program	5	Canine Program – We recommended that USCP establish performance criteria for evaluating its Canine Program's effectiveness.
2013-04	Performance Audit of USCP Canine Program	9	Canine Program – We recommended that USCP finalize its draft SOP No. [REDACTED] hereby using its scarce resources in a more efficient and effective manner.
2014-01 2015-01	FY 2013 FS FY 2014 FS	Repeat Finding 1.8 1.5	Payroll Processing – We recommended that USCP enforce its overtime policy. Lack of documentation to support overtime approval.
2014-03	USCP Controls Over Ammunition	6	Ammunition – We recommended that USCP immediately establish detailed procedures for training ammunition to use best practices such as keeping a perpetual inventory of ammunition, providing ammunition with only an approved lesson plan accompanied by the course of fire, not allowing ammunition to be removed from packing containers until required for use, documenting ammunition consumption in records such as ammunition and/or scoring logs, returning leftover ammunition at the end of a session, and adding it back into the overall inventory, and reconciling ammunition turn-ins with the original issue documents and consumption records.
2014-05	Performance Audit of Hazardous Materials Response Team	1	HMRT – We recommended that USCP evaluate the SOPs for the Hazardous Materials Response Team as well as add controls that will confirm that the annual review process was completed and the Hazardous Materials Response Team and the Office of Policy and Management Systems guidance is consistent.
2014-05	Performance Audit of Hazardous Materials Response Team	4	HMRT – We recommended that USCP take the following steps to avoid any appearance of conflict of interest: (1) Enforce current policies related to conflicts of interest regarding individuals involved in the procurement process, (2) Prohibit USCP employees from accepting employment with USCP vendors, and (3) Revise CP Form [REDACTED] to address the potential for conflict of interest.
2014-05	Performance Audit of Hazardous Materials Response Team	8	HMRT – We recommended that USCP evaluate current vehicle operations documentation processes and take steps for improving the accuracy of inspection and inventory forms. HMRT should evaluate the need for data to be transcribed into its database and consider an alternate system for maintaining documentation. HMRT should also periodically inspect vehicles, sample inspection reports, and review the vehicle log database to ensure accuracy and that those vehicles are operational. Periodic training should be provided to educate drivers on the specifics of the data required and how USCP uses the data.

Appendix 2 – Unimplemented (Open) Recommendations Older Than 6 Months			
Report Number	Report Title	Recommendation Number	Recommendation
2014-05	Performance Audit of Hazardous Materials Response Team	9	HMRT – We recommended that USCP evaluate the coordination required from other USCP Bureaus and establish one responsible party to ensure compliance with the Respiratory Protection Program and Respirator Facepiece Fit Test SOPs. Additionally, a reconciliation of medical and inventory records related to the respirator protection program is needed to obtain an accurate count of equipment as well as an accurate assessment of employee medical status related to the respirators and face pieces. USCP should strengthen SOPs to allow more aggressive monitoring of compliance. USCP should also conduct a physical wall-to-wall inventory of equipment and records and reconcile the results with Property Asset Management Division records.
2014-05	Performance Audit of Hazardous Materials Response Team	11	HMRT – We recommend that the United States Capitol Police evaluate its documentation processes related to medical monitoring and incorporate into SOPs a requirement for document retention that will allow for inspection of historic documents or other mechanism for ensuring consistent compliance with procedures.
2014-05	Performance Audit of Hazardous Materials Response Team	13	HMRT – We recommended that USCP develop procedures for preparing supplementary information that will ensure the accuracy and reliability of program performance data. The procedures should include the Office of Financial Management working directly with those in charge of the supporting documentation that ensures accuracy of figures presented in the Management Decision and Analysis. The supplementary information will be clearly defined so that the criteria can be consistently applied at the data entry, data retrieval, and data reporting levels.
2015-01	FY 2014 FS	11	Database – We recommended that USCP OIS develop and implement a process for monitoring use of database accounts.
2015-03	Performance Audit of USCP Controls Over Evidence	1	Evidence – We recommended that USCP in conjunction with its manual log books establish a comprehensive electronic log system that can provide up-to-date listings of evidence items in a timely manner stored in the Crime Scene Search Lab and Safe Room. Once established, Crime Scene Search should update its listing on a regular basis to ensure that all items are inventoried during regular inspections and audits.
2015-03	Performance Audit of USCP Controls Over Evidence	2	Evidence – We recommended that USCP establish SOPs for conducting inspections and audits of items secured within the Crime Scene Search Safe Room to include inspections and audits conducted by other offices within the Department. Specifically, the Department should include control procedures provided in a November 2013 memorandum, which provides the frequency of inventory/inspections/audits of evidence, the scope of the count, and when reports are due. In addition, the Department should consider weighing drugs as part of the inspection process. Most importantly, the Department should require appropriate supporting documentation of the counts of physical evidence and the proper signatures to ensure the change of custody of evidence.
2015-03	Performance Audit of USCP Controls Over Evidence	3	Evidence – We recommended that USCP strengthen procedures for properly documenting transfer of ammunition from Crime Scene Search to the Department's Firing Range, ensuring that the Crime Scene Search Unit document the number and type of ammunition transferred when accepted by the USCP Firing Range and obtain signatures during this process.

Appendix 2 – Unimplemented (Open) Recommendations Older Than 6 Months			
Report Number	Report Title	Recommendation Number	Recommendation
2015-03	Performance Audit of USCP Controls Over Evidence	4	Evidence – We recommended that USCP reporting officers forward appropriate paperwork to the Crime Scene Search Unit when obtaining custody of crime scene evidence. In addition, the Department should update Directive [REDACTED] and SOP No. [REDACTED], to provide the Crime Scene Search Unit with a mechanism for obtaining paperwork when the reporting officer does not forward the required paperwork to the Crime Scene Search Unit. Furthermore, the Crime Scene Search Unit Supervisor should be accountable for ensuring that any required paperwork is included in the drug evidence case jackets.
2015-03	Performance Audit of USCP Controls Over Evidence	5	Evidence – We recommended that USCP should review and update SOPs for the Crime Scene Search Unit. Specifically, update SOPs to (1) reflect changes in the Drug Enforcement Administration procedures for providing lab numbers (No. [REDACTED]) and (2) remove references to Polaroid film and include procedures for digital photography (SOP No. [REDACTED]).
2015-03	Performance Audit of USCP Controls Over Evidence	7	Evidence – We recommended that USCP consider implementation of the Metropolitan Police Department's property management system (FileOnQ) or similar electronic inventory system to track physical evidence secured in the Crime Scene Search Lab and Safe Room.
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]



APPENDIX 3

PEER REVIEW REPORTING

Implementing Section 989C of the Dodd-Frank Wall Street Reform and Consumer Protection Act Inspector General Peer Review Activity April 1, 2015 – September 30, 2015

Last Peer Review Conducted of USCP OIG Audit Organization

As part of the 3-year cycle of independent peer reviews, on September 17, 2014, Commodity Futures Trading Commission (CFTC) OIG issued the last peer review report covering USCP OIG Audit Organization. USCP OIG received a peer review rating of pass for the year ended September 30, 2013. Furthermore, CFTC OIG had no comments or recommendations in its *System Review Report* of USCP OIG.

CIGIE has scheduled the Federal Election Commission to conduct the next USCP OIG external peer review of its Audit organization for the period ended September 30, 2016.

Last Peer Review Conducted by USCP OIG Audit Organization

CIGIE scheduled USCP OIG to conduct the external peer review of FTC for the period ended March 31, 2015.

USCP OIG issued its last Reviewing Inspector General Report on June 30, 2015, to FTC OIG.

Table 1

Reports Issued with Questioned Costs⁴
April 1, 2015, through September 30, 2015

Category	(Dollars in Thousands)		
	No. of Reports	Questioned Costs	Unsupported Costs
For which no management decision has been made by the commencement of the reporting period	0	\$0	\$0
Which were issued during the reporting period	0	\$0	\$0
Subtotal	0	\$0	\$0
For which a management decision was made during the reporting period			
• dollar value of disallowed costs	0	\$0	\$0
• dollar value of cost not disallowed	0	\$0	\$0
For which no management decision has been made by the end of the reporting period	0	\$0	\$0
Reports for which no management decision was made within 6 months of issuance	0	\$0	\$0

⁴ A "questioned cost" denotes that one or more of the following three situations exist: (1) an alleged violation of a provision of a law, regulation, contract, grant, cooperative agreement, other agreement, or document governing the expenditure of funds; (2) a finding that, at the time of the audit, such cost is not supported by adequate documentation; or (3) a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable.

Table 2

Reports Issued with Recommendations that Funds Be Put to Better Use⁵
April 1, 2015, through September 30, 2015

Category	Number of Reports	Dollar Value (in thousands)
For which no management decision has been made by the commencement of the reporting period	1	\$60
Which were issued during the reporting period	1	\$2,000
Subtotal	1	\$2,060
For which management decision was made during the reporting period	1	\$60
- dollar value of recommendations that were agreed to by management - based on proposed management action - based on proposed legislative action	0	\$0
dollar value of recommendations that were not agreed to by management	1	\$60
For which no management decision has been made by the end of the reporting period	1	\$2,000
Reports for which no management decision was made within 6 months of issuance	0	\$0

⁵ A recommendation that funds be put to better use is a recommendation by OIG that funds could be used more efficiently if Department management took actions to implement and complete the recommendations, including: reductions in outlays, deobligation of funds from programs or operations; withdrawal of interest subsidy costs on loans or loan guarantees, insurance, or bonds; costs not incurred by implementing recommended improvements related to the operations of the Department, a contractor, or a grantee, avoidance of unnecessary expenditures noted in preaward reviews of contract or grant agreements; or any other savings which are specifically identified.

Table 3

Investigations Statistics **April 1, 2015, through September 30, 2015**

	Dollar Value (in thousands)
Recoveries	\$0
Fines and Restitutions	\$0
Investigative Cases Opened	5
Investigative Cases Closed	2
Surveys, Analysis, Evaluations, Inspections, and Internal Control Reviews	2
Arrests	0
Indictments	0
Convictions	0
Personnel Actions	1
Total Complaints Received	49
Hotline Complaints Received	43
Complaints from Other Sources	6
Complaints Referred (to Department or other agencies)	11
Inspector General Subpoenas	0



OIG Hotline **(1-866-906-2446)**

As part of its duties and responsibilities, OIG maintains a toll-free Hotline that provides employees and private citizens an opportunity to relay information regarding fraud, waste, and abuse.

Reporting Requirements, Inspector General Act

IG Act Section	IG Act Requirement	Page
Section 4(a)(2)	Review of Legislation	3
Section 5(a)(2)	Significant Problems, Abuses, and Deficiencies	6-20
Section 5(a)(3)	Recommendations with Respect to Significant Problems, Abuses, and Deficiencies	6-20
Section 5(a)(4)	Recommendations Included in Previous Reports on Which Corrective Action Has Not Been Completed	22-26
Section 5(a)(5)	Matters Referred to Prosecuting Authorities	None
Section 5 (a)(6)	Summary of Instances Where Information Was Refused	None
Section 5(a)(7)	Reports Issued During the Reporting Period	21
Section 5(a)(8)	Summary of Significant Reports	6-20
Section 5(a)(9)	Questioned and Unsupported Costs (Table 1)	28
Section 5(a)(10)	Recommendations that Funds be put to Better Use (Table 2)	29
Section 5(a)(11)	Summary of Reports Issued before the start of the Reporting Period for which no Management Decision has been made	28
Section 5(a)(12)	Significant Revised Management Decisions	N/A
Section 5(a)(13)	Management Decisions with which the Inspector General is in Disagreement	None
Section 5(a)(14-16)	Specifically excluded by Public Law 109-55	N/A
Section 989C of the Dodd-Frank Wall Street Reform and Consumer Protection Act	Peer Review Reporting Requirements	27

Working Relationship Principles for Agencies and Offices of Inspectors General

The *Inspector General Act* establishes for most agencies an OIG and sets out its mission, responsibilities, and authority. The unique nature of the IG function can present a number of challenges for establishing and maintaining effective working relationships. To work most effectively together, the agency and its OIG need to clearly define what each considers a productive relationship and then consciously manage toward that goal in an atmosphere of mutual respect.

By providing objective information for promoting Government management, decision-making, and accountability, OIG contributes to the agency's success. OIG is an agent of positive change, focusing on eliminating waste, fraud, and abuse, and on identifying problems and recommendations for corrective actions by agency leadership. OIG provides the agency, Board, and Congress with objective assessments of opportunities to be more successful. Although not under the direct supervision of the Chief, OIG must keep the Board and Congress fully and currently informed of significant OIG activities. Given the complexity of management and policy issues, OIG and the agency may sometimes disagree on the extent of a problem and the need for and scope of corrective action. However, such disagreements should not cause the relationship between OIG and the agency to become unproductive. The following working relationship principles provide some guidance for agencies and OIGs. **To work together most effectively, OIG and the agency should strive to:**

Foster open communications at all levels. The agency will promptly respond to OIG requests for information to facilitate OIG activities and acknowledge challenges that OIG can help address. Surprises are to be avoided. With limited exceptions, primarily related to investigations, OIG should keep the agency advised of its work and its findings on a timely basis, and strive to provide information helpful to the agency at the earliest possible stage.

Interact with professionalism and mutual respect. Each party should always act in good faith and presume the same from the other. Both parties share, as a common goal, the successful accomplishment of the agency's mission.

Recognize and respect the mission and priorities of the agency and OIG. The agency should recognize OIG's independent role in carrying out its mission within the agency, while recognizing the responsibility of OIG to report both to Congress and to the agency head. OIG should work to carry out its functions with a minimum of disruption to the primary work of the agency. The agency should allow OIG timely access to agency records and other materials.

Be thorough, objective, and fair. OIG must perform its work thoroughly, objectively, and with consideration to the agency's point of view. When responding, the agency will objectively consider differing opinions and means of improving operations. Both sides will recognize successes in addressing management challenges.

Be engaged. OIG and agency management will work cooperatively in identifying the most important areas for OIG work, as well as the best means of addressing the results of that work, while maintaining OIG's statutory independence of operation. In addition, agencies need to recognize that OIG also will need to carry out work that is congressionally requested, mandated by law, or self-initiated.

Be knowledgeable. OIG will continually strive to keep abreast of agency programs and operations, and agency management will be kept informed of OIG activities and concerns being raised in the course of OIG work. Agencies will keep OIG up to date on current matters and events.

Provide feedback. The agency and OIG should implement mechanisms, both formal and informal, that will ensure prompt and regular feedback.

