

OFFICE OF SPECIAL INVESTIGATIONS

The Office of Special Investigations (OSI) supports Congress in its oversight responsibilities by exposing fraud, waste, abuse, corruption, mismanagement, and other obstacles to government efficiency and effectiveness. Staffed with senior criminal investigators, we explore allegations of wrongdoing, including criminal activity, related to federal funds, programs, and activities. We also perform tests to determine whether security vulnerabilities exist in federal facilities and systems.

Our Work

As requested by Congress, we investigate a variety of alleged violations, ranging from money laundering to Medicaid program abuse. Additionally, an important part of our mission is to support the work of other GAO teams. When teams find indications of fraud or other wrongdoing in the course of their work, they refer those findings to OSI for investigative assistance and advice. In addition, OSI identifies specific examples of fraud and abuse to illustrate program weaknesses and demonstrate systemic problems. We report the results of our work to Congress in testimony, reports, and briefings, and refer evidence of criminal activity to the appropriate law enforcement agencies.

We also identify vulnerabilities in federal programs that may permit laws and regulations, such as those governing federal firearms, to be circumvented. Similarly, by testing weaknesses in federal facilities and systems, we can bring security, regulatory, and operational flaws to the attention of Congress and the executive branch before those weaknesses are exploited.

Our work also originates from information reported to GAO's FraudNET, a hotline through which government employees, whistleblowers, and the public at large can report allegations of fraud and abuse. Analysts evaluate these allegations and refer them to our criminal investigators for investigation or directly to the appropriate agency.

KEY CONTACTS

MANAGING DIRECTOR

Robert J. Cramer

DIRECTOR

Ronald D. Malfi

PHONE

(202) 512-7455

MAILING ADDRESS

U.S. General Accounting Office
Office of Special Investigations
Room 6K17S
441 G Street, N.W.
Washington, D.C. 20548

FraudNET

fraudnet@gao.gov

Telephone: (800) 424-5454

Fax (202) 512-3086

Accomplishments and Key Projects

Examples of our recent accomplishments include the following:

- We identified significant security weaknesses in the transport of military arms, ammunition, and explosives within the United States, resulting in numerous recommendations that are in varying degrees of implementation.
- In reviewing an investigation into the fraudulent use of U.S. Navy purchase cards, we identified hundreds of purchase card account numbers that had been compromised. Our findings enabled the Naval Criminal Investigative Service to identify the source of compromise on the accounts, cancel or reissue the numbers, and eliminate a significant potential for fraud.
- In a test of the adequacy of security measures in federal buildings, our investigators used fictitious credentials to enter buildings without proper authority. As a result of this test, the General Services Administration (GSA) strengthened its process for verifying credentials and identification in GSA-managed facilities throughout the country.
- Our investigations of questionable claims under a school-based Medicaid program in Michigan resulted in disallowance of as much as \$324 million in claims.
- We investigated fraud in a federal drug media campaign contract and referred our findings to the Department of Justice, resulting in a repayment of \$1.8 million to the U. S. Treasury.
- Working with GAO analysts, we identified specific recommendations concerning problems with the Navy's in-transit inventory process, causing the Navy to take corrective action that accounted for billions of dollars of military material that was previously unaccounted for.

The direction of our future work depends largely on (1) Congress's oversight interest, (2) GAO's strategic priorities, and (3) emerging issues at greatest risk for criminal exploitation. In the coming year, we will focus on investigating fraud and abuse in defense expenditures, security issues, and health care financing and administrative abuses.