



Office of Inspector General
U.S. Government Accountability Office

SEMIANNUAL REPORT TO CONGRESS

April 1, 2020, through September 30, 2020



October 2020
OIG-21-1SP



O I G

Office of Inspector General

United States Government Accountability Office

October 30, 2020

To: Gene L. Dodaro
Comptroller General of the United States

From: Adam R. Trzeciak
Inspector General

Handwritten signature of Adam R. Trzeciak in black ink.

Subject: Semiannual Report to Congress—April 1, 2020, through September 30, 2020

I am pleased to submit this report in accordance with Section 5 of the Government Accountability Office (GAO) Act of 2008. The report summarizes the activities of the Office of Inspector General (OIG) for the last six months of fiscal year 2020. The Act requires that you transmit the report to Congress within 30 days after receipt. Your transmittal should also include any comments you consider appropriate.

During this reporting period, we issued two audit reports, closed four investigations, and initiated two investigations. We also opened five proactive or self-initiated inquiries and closed two. In addition, we processed 56 hotline complaints, many of which were referred to other OIGs for action because the matters involved were within their jurisdictions. We remained active in the GAO and OIG communities by briefing new GAO employees on our audit and investigative missions, and participating in Council of Inspectors General on Integrity and Efficiency committees and working groups, including those related to the Pandemic Response Accountability Committee. Details of these activities and other OIG accomplishments are provided in the accompanying report.

We post our audit, evaluation, and semiannual reports on [gao.gov](https://www.gao.gov) and [oversight.gov](https://www.oversight.gov), a publicly accessible, text-searchable website containing the latest reports from contributing federal inspectors general. In addition, OIG reports are included in the listing of available updates on GAO's GovDelivery subscription page. We continue to look for innovative ways to enhance our oversight efforts and increase the transparency of our work.

I deeply appreciate my team's dedication and professionalism in its efforts to help GAO improve its operations, particularly in the context of the challenges brought on by the onset of the coronavirus pandemic (COVID-19). The attached report reflects the OIG staff's hard work and accomplishments. I also thank GAO's Executive Committee, managers, and staff for their cooperation and attention to the important work of our office.

Attachment

INTRODUCTION

The United States Government Accountability Office

The U.S. Government Accountability Office (GAO) is an independent agency in the legislative branch of the federal government. GAO exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and ensure the accountability of the federal government for the benefit of the American people. It supports congressional oversight by (1) auditing agency operations to determine whether federal funds are being spent efficiently and effectively; (2) investigating allegations of illegal and improper activities; (3) reporting on how well government programs and policies are meeting objectives; (4) performing policy analyses and outlining options for congressional consideration; and (5) issuing legal decisions and opinions, such as bid protest rulings and reports on agency rules.

The Office of Inspector General

Established as a statutory office by the Government Accountability Office Act of 2008, GAO's Office of Inspector General (OIG) independently conducts audits, evaluations, and other reviews of GAO programs and operations and makes recommendations to promote economy, efficiency, and effectiveness in GAO. The OIG also investigates allegations of fraud, waste, and abuse, including the possible violation of law or regulation within GAO.

OIG STRATEGIC PUBLICATIONS

Strategic Plan

The OIG's Strategic Plan identifies the vision, goals, objectives, and strategies for its activities under the authority of the Government Accountability Office Act of 2008, to promote efficiency, effectiveness, and integrity in GAO programs and operations. As discussed in the plan, the OIG supports GAO and Congress by helping to protect GAO programs and operations from fraud, waste, and abuse. Independent and objective audits, evaluations, and investigations are the primary methods for assessing GAO programs and operations and identifying risks to GAO, enhancing its ability to protect and maximize its resources.

Biennial Work Plan

The OIG's biennial work plan provides a brief description of audits and other work planned for a two year period and an overview of its investigations program. In addition, the plan sets forth OIG's formal strategy for identifying priority issues and managing its workload and resources.

Top Management Challenges Facing GAO

Each year, the OIG is asked to comment on management's assessment and reporting of GAO's challenges for its annual Performance and Accountability Report. OIG work has resulted in improved reporting and transparency of GAO's management challenges and the efforts under way to mitigate the risk these challenges pose to GAO's ability to efficiently and effectively support Congress and the American people. Progress in addressing these challenges is monitored through the agency's annual performance and accountability process and OIG audits and evaluations.

For fiscal year 2020, GAO added responding to the COVID-19 pandemic as a key challenge, followed by the challenges to maintain its operations and improve the efficiency of its engagements. The OIG identified infrastructure management as a potential challenge requiring appropriate attention in fiscal year 2019, and continues to monitor this area. The agency added ensuring workplace safety at GAO headquarters as another element to the challenge of maintaining its operations, which seems reasonable in this current environment, but may be more appropriately classified under the umbrella of infrastructure management as the agency continues to navigate its operating posture both at its headquarters in Washington, D.C., and across 11 field offices.

Semiannual Reports to Congress

GAO OIG’s [Semiannual Reports to Congress](#) describe the OIG’s work on identifying problems, abuses, deficiencies, remedies, and investigative outcomes relating to the administration of GAO programs and operations that were disclosed during the reporting period. This semiannual report presents the results of the OIG’s work for the reporting period April 1, 2020, through September 30, 2020, including product and performance statistics for audits and investigations. It also provides an overview of each audit report issued, investigation closed, and, as appropriate, actions GAO took or initiated in response to those reports, as of the end of the reporting period.

ACTIVITIES OF THE OFFICE OF INSPECTOR GENERAL

GAO and OIG management work cooperatively in fulfilling the role of the OIG. In that light, there were no attempts by GAO to resist, object to, or interfere with OIG independence or delay OIG access to information during the reporting period.

The OIG issued two audit reports ([OIG-20-1](#) and [OIG-20-2](#)), containing a total of nine recommendations during the period. GAO agreed with the four recommendations made in the first report on the Voluntary Leave Transfer Program. GAO did not state whether it concurred or did not concur with the recommendations made in the second report on Non-Competed Contracts. Formal responses from management including its statement of actions in response to the recommendations are due in October and November, respectively. Table 1 provides fiscal year summary statistics for unimplemented OIG recommendations as of September 30, 2020.

Table 1: Fiscal Year Summary Statistics Related to Unimplemented Recommendations, as of September 30, 2020

Fiscal Year	Number of Reports with Unimplemented Recommendations	Number of Unimplemented Recommendations
2018	1	1
2019	1	6
2020	2	9
Total	4	16

Source: OIG assessment as of September 30, 2020.

Audits and Evaluations

All OIG audit and evaluation reports, with the exception of reports on GAO’s implementation of the Federal Information Security Modernization Act of 2014 (FISMA), are fully disclosed to the public. Due to the sensitive nature of issues identified, generally only summary pages of the FISMA report are made publicly available.

OIG Reports and Status of Current Period Recommendations, and Other Work

The OIG issued two audit reports during the last six months of fiscal 2020. During the reporting period, the OIG also continued to work on an audit designed to assess GAO’s New Blue^a project management practices against widely accepted standards and best practices. OIG reports are available at gao.gov and oversight.gov. Table 2 identifies each report issued during the period, its objective, and the number and status of recommendations made, as of September 30, 2020.

Table 2: Status of Agency Actions on OIG Audit Reports Issued in the Current Reporting Period (April 1, 2020, through September 30, 2020)

OIG Reports	Audit Objective	Number of Recommendations	Status of Recommendations
<i>Voluntary Leave Transfer Program: Additional Controls Are Needed to Strengthen Program Management, OIG-20-1 (August 17, 2020)</i>	To assess the extent to which GAO has established effective policies and procedures for managing its voluntary leave transfer program.	Four	Open GAO has begun actions to address the intent of the OIG recommendations. The OIG expects to receive the agency’s statement of actions taken in response to OIG recommendations on or before October 16, 2020.
<i>Non-Competed Contracts: Actions Needed to Improve Internal Control, OIG-20-2 (September 18, 2020)</i>	To assess the extent to which GAO maintained adequate internal control over non-competed contracts.	Five	Open In its written comments, GAO did not state whether it concurred or did not concur with OIG recommendations. The OIG expects to receive the agency’s statement of actions taken in response to OIG recommendations on or before November 17, 2020.

Source: OIG assessment as of September 30, 2020.

^aNew Blue is a web-based report publishing platform currently under development.

Status of Unimplemented OIG Audit Recommendations

At the end of the prior reporting period (March 31, 2020), there were unimplemented recommendations from two OIG audit reports. Table 3 summarizes the status of actions planned or taken in response to recommendations made in prior reporting periods, as of September 30, 2020.

Table 3: Status of Agency Actions on Prior Period Unimplemented Recommendations, as of September 30, 2020

OIG reports	Recommendations	Status of actions planned or taken by GAO in response to the recommendations
<p><i>INFORMATION SECURITY: Review of GAO's Program and Practices for Fiscal Years 2016 and 2017</i> OIG-18-4 (July 17, 2018)</p>	<p>Document plans, policies, and procedures for identifying, prioritizing, and mitigating operational risk related to establishing full failover capabilities at the Alternate Computing Facility (ACF) in the event of a disaster and preparing for end-of-support upgrades for Windows 7.</p>	<p>Recommendation: Open</p> <p>The agency is working towards a disaster recovery approach that would employ cloud technology as part of failover capabilities going forward. As part of its efforts to move systems to the cloud, GAO is starting an initiative to develop an Enterprise IT cloud strategy.</p>
<p><i>INFORMATION SECURITY: Review of GAO's Program and Practices for Fiscal Year 2018</i> OIG-19-3 (September 30, 2019)</p>	<p>Ensure that all entries in GAO's system inventory have been reviewed to determine if an impact assessment is needed and assessments are performed as appropriate.</p>	<p>Recommendation: Open</p> <p>GAO has established a process for reviewing its systems inventory and is determining the extent to which additional security assessments are warranted. GAO had expected to complete this process by the end of September 2020, but has not provided a recent update.</p>
	<p>Update standard operating procedures to ensure that standard contract language for security aligns with National Institute for Standards and Technology (NIST) recommendations as appropriate.</p>	<p>Recommendation: Open</p> <p>Key GAO stakeholders are collaborating to ensure that standard contract language aligns with NIST recommendations. GAO indicated this process was being implemented during fiscal year 2020 but has not provided a recent update.</p>
	<p>Take steps to ensure that identified vulnerabilities are remediated within prescribed time frames.</p>	<p>Recommendation: Open</p> <p>GAO is continuing its efforts to address reporting issues that are identified by vulnerability scanning tools, focusing on strategies for remediating issues affecting the highest-risk assets. GAO indicated these efforts were being implemented during fiscal year 2020 but has not provided a recent update.</p>

OIG reports	Recommendations	Status of actions planned or taken by GAO in response to the recommendations
	Ensure that baseline configurations for all identified environments have been documented and approved.	Recommendation: Open GAO is working to improve its management of baseline configurations by changing its approach to maintaining the documentation and continuing efforts to conduct reviews that ensure baselines are properly vetted and approved. GAO indicated these efforts were being implemented during fiscal year 2020 but has not provided a recent update.
	Ensure that contingency planning testing accurately reflects the ability of GAO to recover mission critical systems in the event of a disaster.	Recommendation: Open GAO had expected to conduct a disaster recovery test for a target system by the end of September 2020 but has not provided a recent update.
	Complete business impact analysis for IT systems and update contingency plans where necessary to ensure that business needs are met in the event of a disaster.	Recommendation: Open GAO had expected to complete a business impact analysis as part of its continuity of operations planning by the end of September 2020 but has not provided a recent update.

Source: OIG assessment as of September 30, 2020.

Complaints and Investigations

The OIG hotline is the primary source of complaints or information for identifying suspected fraud and other problems, abuses, and deficiencies relating to the administration of GAO’s programs and operations. As shown in Table 4, the OIG processed 56 substantive hotline complaints during this 6-month reporting period.

Table 4: Summary of OIG Hotline Complaint Activity, April 1, 2020, through September 30, 2020

Hotline complaints open at the start of the reporting period	6
New hotline complaints received this reporting period ^a	56
Total hotline complaints	62
Complaints closed (referred to other GAO offices)	7
Complaints closed (referred to FraudNet ^a)	0
Complaints closed (referred to Office of Audit within GAO OIG)	3
Complaints closed (no jurisdiction and referred by the GAO OIG to appropriate agency OIG or other law enforcement offices ^b)	46
Complaints converted to investigations	2
Total hotline complaints open at the end of the reporting period	4

Source: OIG hotline summary statistics as of September 30, 2020.

^aFraudNet is a government-wide hotline operated by GAO staff on its Forensic Audits and Investigative Service team that receives complaints of fraud, waste, abuse, and mismanagement of federal funds.

^bFraudNet was provided a copy of each referral made to federal entities outside of GAO.

In addition to the 56 hotline complaints shown in Table 4, the OIG received 91 complaints that were closed due to insufficient information or no basis for opening an investigation. These complaints generally did not involve GAO programs and operations, and lacked either (1) sufficient merit to warrant direct OIG referral to another federal or state organization, or (2) actionable information.

As shown in Table 5, there were 14 open investigations during this reporting period. At the end of the reporting period, 10 investigations remained open. During the reporting period, the OIG issued three administrative subpoenas for records maintained by organizations external to GAO.

Table 5: Summary of OIG Investigations, April 1, 2020 through September 30, 2020

Investigations open at the start of the reporting period	12
New investigations initiated this reporting period	2
Total investigations	14
Investigations closed this reporting period	4
Total investigations open at the end of the reporting period	10
Total investigative reports issued during reporting period	2
Referred to Department of Justice	0
Referred to state/local prosecutor	0
Total referrals for criminal prosecution	0
Total indictments/information obtained during reporting period	1

Source: OIG investigative activity statistics as of September 30, 2020.

Significant Investigations

GAO Analyst Indicted for Bank Fraud

The OIG received a referral from the Human Capital Office (HCO) that a Senior Analyst may have abused GAO travel card privileges. The OIG found that the analyst used their GAO travel card to complete over 200 personal transactions and repeatedly claimed their card was compromised to avoid paying almost \$3,000 in charges. The OIG found that the analyst made similar false allegations of fraud involving a personal debit card, thereby avoiding paying \$6,000 in charges. On June 24, 2020, the analyst was indicted on four counts of Bank Fraud in violation of 18 U.S.C. §1344. The analyst was arrested and arraigned on these charges on June 25, 2020. The OIG issued a Report of Investigation on August 26, 2020. The criminal case and GAO's response are pending. This case was not previously disclosed publicly. (G-17-0114-O)

Time & Attendance Fraud

The OIG received a hotline allegation that a GAO employee was submitting fraudulent timecards. The OIG investigation corroborated the allegation that the employee repeatedly did not work the hours claimed on their timecard. The OIG issued a Report of Investigation on September 30, 2020. The agency's response is pending. This case was not previously disclosed publicly. (G-18-0305-HL-O)

Other Investigations

In addition to the two investigations identified above, the OIG closed four investigations during the period, three of which were not previously disclosed publicly. In our previous semiannual report, the OIG disclosed that it had issued a memorandum to management recommending corrective action to address errors in a personnel file that came to our attention during an investigation into benefits fraud. On April 23, 2020, the OIG received the agency’s response indicating that it had addressed the errors and identified several processes put in place to reduce the likelihood of similar errors in the future. As a result, the OIG closed this investigation (G-20-0108-P). A summary of the three investigations that were not previously disclosed publicly is provided in Table 6.

Table 6: Closed Investigations Not Previously Disclosed Publicly, April 1, 2020, to September 30, 2020

Subject	Results	Completed
<p>1. Issues at GAO Health Clinic The OIG received a complaint from an employee of the FBI involving services provided by the GAO health clinic. (G-20-0-080-HL-P)</p>	<p>The OIG conducted a preliminary review, but determined that jurisdictional constraints required a referral to the Health and Human Services OIG, as the Federal Occupational Health service is a component of HHS. Thereafter the investigation was closed.</p>	<p>April 17, 2020</p>
<p>2. Time and Attendance Fraud The OIG received a referral from GAO’s Human Capital Office with information that a GAO employee was potentially committing time and attendance fraud. (G-20-0156-P)</p>	<p>In the course of the investigation, the OIG learned that the subject had submitted their resignation. Subsequently, the investigation was closed.</p>	<p>July 14, 2020</p>
<p>3. Telework/Time and Attendance Abuse The OIG received a hotline complaint alleging that a GAO employee teleworks without approval and is not in the office when expected under the employee’s approved schedule. (G-20-0070-HL-P)</p>	<p>The OIG could not validate the allegation. Thereafter, the investigation was closed.</p>	<p>September 1, 2020</p>

Source: OIG investigative activity statistics as of September 30, 2020

Proactive Inquiries

The OIG has begun proactive inquiries based on traditional areas of vulnerability that cut across agencies and core administrative functions. These inquiries focus on data analysis, looking for outliers or exceptions that require targeted investigative methods, to include interviewing subjects and witnesses. In this reporting period, the OIG initiated five proactive inquiries and closed two. One of these proactive inquiries spun off an investigation. That investigation is included in Table 5.

Inquiry of Purchase Card Program Results in an Investigation

The OIG initiated a proactive inquiry of the GAO Purchase Card program to identify potentially fraudulent transactions. The OIG reviewed all transactions for a one-year period for possible misuse and for the most part, found reasonable justifications for the purchases. However, the OIG identified a cardholder with a number of transactions that appeared to violate GAO policy, and opened an investigation on this cardholder which remains open. Since no further violations were identified, the OIG closed this inquiry. (G-20-0162-S)

Inquiry of Workers' Compensation Program Did Not Uncover Fraud

The OIG initiated a proactive inquiry of the GAO Workers' Compensation program for impropriety. The OIG ran comprehensive database reports for each individual and did not find evidence that any of the individuals on the disability benefit rolls were deceased or engaged in outside employment. The OIG conducted searches of state-run business databases and did not locate any companies that listed GAO's workers' compensation recipients as principals. As a result, the OIG closed this inquiry. (G-20-0163-S)

Ongoing Matters Referred for Prosecution

During the period, the OIG continued to lead a task force involving a phishing attempt to divert the paychecks of several senior GAO, executive branch, and state agency officials to fraudulent bank accounts. The task force includes the OIGs for the Federal Housing Finance Agency, Department of Energy, National Archives and Records Administration, and National Endowment for the Humanities. Other task force members include the Secret Service, Federal Bureau of Investigation, and Maryland State Police. The task force is working with the District of Columbia's U.S. Attorney's Office to develop the case for prosecution. (G-19-0077-O)

As discussed above, a GAO analyst was indicted for bank fraud in a prosecution by the U.S. Attorney's Office in Atlanta, Georgia. This case was accepted by the U.S. Attorney's Office in a previous reporting period and is ongoing. (G-17-0163-O)

OTHER ACTIVITIES

Activities within GAO

OIG leadership continued its discussion of the duties, responsibilities, and authorities of the OIG with participants in GAO's new employee orientation program. The IG and Assistant IG for Investigations continued to provide briefings to GAO mission teams on the OIG's investigations program, including investigative outcomes.

In addition, OIG leadership attends weekly senior staff meetings and meets periodically with staff of the independent public accounting firm conducting GAO's annual financial statement audit and the Audit Advisory Committee.

Activities within the Inspector General Community

The OIG has responded to requests for information from the Pandemic Response Accountability Committee (PRAC), established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law 116-136. The OIG also took part in periodic meetings of the COVID-

19 Accountability Work Group, organized by the National Association of State Auditors, Comptrollers, and Treasurers, along with PRAC members and other federal IGs.

The OIG continued to participate on the Council of Inspectors General on Integrity and Efficiency (CIGIE), a council of federal inspectors general that promotes collaboration on issues of economy, efficiency, and effectiveness that transcend individual agencies. OIG leadership regularly participated in monthly CIGIE meetings, and periodic meetings with other OIGs designed to address issues common to smaller OIGs. The Assistant Inspector General for Audits participated in periodic CIGIE Audit Committee meetings. The Assistant Inspector General for Investigations (AIGI) participated in monthly CIGIE Investigations Committee meetings, quarterly AIGI meetings, and various investigative working groups. The Counsel to the Inspector General participated in monthly CIGIE Legislation Committee meetings and Council of Counsels to Inspectors General meetings.

Outreach Activities

OIG staff participated in a panel discussion on cloud technology in July 2020, hosted by Government Executive's Nextgov. The OIG also joined the Northern Virginia–Washington, D.C. Internet Crimes Against Children Task Force, with other law enforcement organizations.

Freedom of Information

During the current reporting period the OIG received and processed two access requests under GAO's access regulation, 4 C.F.R. Part 81.

Whistleblower Retaliation

The GAO OIG has no statutory authority to investigate allegations of whistleblower retaliation. Although GAO is not subject to the Whistleblower Protection Act or the Whistleblower Protection Enhancement Act, GAO personnel management system controls are intended to protect GAO employees from prohibited personnel practices. During this reporting period, the OIG worked with the agency's General Counsel to respond to an information request from the Senate Minority Leader regarding GAO policies protecting employees from retaliation or reprisal for protected disclosures.

OIG Mission

Our mission is to protect GAO's integrity through audits, investigations, and other work focused on promoting the economy, efficiency, and effectiveness in GAO programs and operations, and to keep the Comptroller General and Congress informed of fraud and other serious problems relating to the administration of GAO programs and operations.

Reporting Fraud, Waste, and Abuse in GAO's Internal Operations

To report fraud and other serious problems, abuses, and deficiencies relating to GAO programs and operations, you can do one of the following (anonymously, if you choose):

- Call toll-free (866) 680-7963 to speak with a hotline specialist, available 24 hours a day, 7 days a week.
- Visit <https://OIG.alertline.com>.

Obtaining Copies of OIG Reports and Testimonies

To obtain copies of OIG reports and testimonies, go to GAO's website: <https://www.gao.gov/ig/> or <https://www.oversight.gov/reports>, created by the Council of Inspectors General on Integrity and Efficiency.

