

GAO/OIG

June 2010

SEMIANNUAL REPORT

October 1, 2009 –
March 31, 2010





Memorandum

Date: June 15, 2010

To: Acting Comptroller General Gene L. Dodaro

From: Inspector General Frances Garcia *Frances Garcia*

Subject: *Semiannual Report—October 1, 2009, through March 31, 2010*

In accordance with Section 5 of the Government Accountability Office Act of 2008 (GAO Act), I am submitting my semiannual report for the first half of fiscal year 2010 for your comments and its transmission to the Congress.

During this period, the Office of the Inspector General (OIG) continued its efforts to finalize a number of actions to implement requirements contained in the GAO Act and certain provisions in the Inspector General Reform Act of 2008. For example, we substantially revised and strengthened the OIG order to reflect our statutory role and responsibilities and are moving forward to obtain the input and concurrence of other stakeholders, which is an important and necessary step in the process of adopting and implementing the revised OIG order. We also made changes to the OIG Web site and the OIG Hotline in order to improve the visibility of OIG and to enhance GAO employees' understanding of OIG's role, as well as to encourage employees to use the Hotline to report to OIG any situation involving possible wrongdoing at GAO. In addition, we continued to participate in the activities of the broader Inspector General community, including the Council of Inspectors General on Integrity and Efficiency and the Legislative Branch Inspectors General quarterly meetings.

Audits and Inspections

During the reporting period, we issued two audit reports with recommendations and conducted an inspection. The audits evaluated GAO's (1) testimony performance measure¹ and (2) information security program and practices for fiscal year 2009.² (See the attachment for a summary of these reports and GAO actions to address the reports' recommendations.) Furthermore, we completed the first phase of our audit of GAO's fiscal year 2009 financial benefit claims of \$1 billion or more, which focused

¹GAO, Office of the Inspector General, *Testimony Measure: Verification of Performance Data Could Be Improved*, [GAO/OIG-10-1](#) (Washington, D.C.: Nov. 18, 2009).

²GAO, Office of the Inspector General, *Information Security: Evaluation of GAO's Information Security Program and Practices for Fiscal Year 2009*, [GAO/OIG-10-3](#) (Washington, D.C.: Jan. 4, 2010).

on the reasonableness of the amounts claimed. As the Acting Comptroller General requested, we advised him of our results, including that we determined GAO had a reasonable basis to claim these benefits, before the publication of GAO’s fiscal year 2009 *Performance and Accountability Report*³—hereafter referred to as the annual performance report. The Inspector General cited this work in her November 5, 2009, memorandum to the Acting Comptroller General, which was published in GAO’s annual performance report. Phase two of our financial benefits performance measure work, part of our ongoing work, analyzes the adjustments that GAO made to claimed benefit amounts in response to our audit. Our ongoing work also includes a review examining the effectiveness of agency controls to reduce the risk of employee misuse of government travel cards.

We also conducted an inspection of the policies and procedures for conducting investigations used by GAO’s Forensic Audits and Special Investigations mission team. We did this inspection to determine whether these policies and procedures are consistent with federal investigation quality standards and were followed for specific investigative work.

Investigations and Hotline Activities

Regarding our efforts to identify potential fraud, waste, and abuse within GAO, OIG has a toll-free Hotline number that is staffed by a contractor 24 hours a day, 7 days a week.⁴ The Hotline is OIG’s primary source of complaints. OIG staff also receive complaints via telephone calls, faxes, e-mail messages, and personal visits during regular duty hours. During the 6-month reporting period, we addressed 145 inquiries and allegations (referred to in the following table and text as complaints).

Summary of OIG Activity October 1, 2009 – March 31, 2010						
Complaints						
Open at start of period	Received	Referred to FraudNet (Non-GAO-related)	Closed, insufficient information/ no basis	Referred to other GAO units	Completed	Open at end of period
3	142	103	22	5	2	13

Source: GAO OIG.

Of the 3 open cases from the prior semiannual report period, we closed 1 after conducting some initial investigative work and determining that no additional action was needed. The other 2 cases remained open at the end of this reporting period. Also, in this reporting period, we received 142 complaints through our Hotline and other sources. Because 103 of these 142 complaints concerned matters related to

³GAO, *Performance and Accountability Report—Fiscal Year 2009*, [GAO-10-234SP](#) (Washington, D.C.: Nov. 13, 2009).

⁴The toll-free number is (866) 680-7963.

other federal agencies, we referred them to GAO's FraudNet—a governmentwide Hotline that receives complaints of fraud, waste, and abuse of federal funds. We assisted the Federal Bureau of Investigation in 1 investigation of a complaint about a multimillion-dollar fabricated check that was purported to have been issued by GAO, and we closed another investigation of a complaint submitted by another federal agency regarding an employee's potential misrepresentation of GAO or its officials. This latter investigation, which OIG began then referred to another GAO unit, determined that the employee did not commit an ethics violation. However, the investigation did result in the employee undergoing additional training. We closed an additional 21 cases due to insufficient information or after initial evaluation of the complaints determined that there was no basis for action. We also referred to other GAO units another 5 cases that involved e-mail scams, a health-and-safety concern, and a concern that the format used by GAO in its report products may result in excessive paper use. At the end of the reporting period, 13 cases remained open, which included 11 received during this reporting period.

Agency Actions on Recommendations Made in Prior OIG Reports

In response to recommendations made in prior OIG reports, GAO has taken the following actions:

- Based on four recommendations in our report on four GAO performance measures that address employee satisfaction,⁵ the agency made the following changes. First, to provide greater clarity that the leadership measure assesses employee satisfaction with immediate supervisors, GAO changed the measure's name from "leadership" to "effective leadership by supervisors." Second, to give a more complete interpretation of the measures, the agency has provided additional information on how the measures are calculated in its annual performance report.⁶ Third, to provide more useful information on the agency's progress in creating a more diverse work environment, GAO made changes to the questions comprising the leadership measure. Fourth, the agency developed written procedures to ensure that future changes made to performance measures, and any effects from these changes, are promptly reported in its annual performance report.
- Based on work we had initiated on evaluating the performance data for GAO's timeliness performance measure, GAO completed its analysis of the issues that we raised and took some steps to revise how the agency reported the data in its fiscal year 2009 annual performance report. Our work focused on GAO's electronic customer feedback form and its question on customer satisfaction

⁵GAO, Office of the Inspector General, *Four People Measures: Many Attributes of Successful Measures Met; Opportunities Exist for Further Enhancements*, [GAO/OIG-09-3](#) (Washington, D.C.: Aug. 31, 2009).

⁶All four measures are derived from staff's responses to GAO's Employee Feedback Survey.

with the timeliness of GAO reports. The answers to this question provide the basis for the performance measure data. Among the actions taken, GAO no longer represents its electronic customer feedback form as a survey to avoid any confusion that this outreach approach meets standards and guidelines for statistical surveys. Also, to assist readers in understanding GAO's approach, the agency has added an explanation of how it calculated its on-time percentage in its annual performance report.

Moreover, GAO took final action that closed two open recommendations from a report issued prior to this reporting period. Based on our September 2008 report on diversity at GAO,⁷ the agency made final its order⁸ to establish an annual requirement for a Workforce Diversity Plan and to clarify responsibilities and procedures when a complaint involves staff within GAO's Office of Opportunity and Inclusiveness.

Finally, I want to thank GAO's Executive Committee, managers, and staff for their cooperation during our reviews.

Attachment

cc: Chief Administrative Officer, GAO
Acting General Counsel, GAO
Chair and Members, GAO Audit Advisory Committee

⁷GAO, Office of the Inspector General, *Diversity At GAO: Sustained Attention Needed to Build on Gains in SES and Managers*, [GAO-08-1098](#) (Washington, D.C.: Sept. 10, 2008).

⁸GAO, Order 2713.2, *Discrimination Complaint Resolution Process* (Washington, D.C.: Dec. 9, 2009).

Summary of GAO Office of the Inspector General Reports and GAO Actions

Reports Issued October 1, 2009, through March 31, 2009⁹

Testimony Measure: Verification of Performance Data Could Be Improved
(GAO/OIG-10-1, Nov. 18, 2009)

Findings: The Office of the Inspector General (OIG) found that the number of hearings was slightly less than the 304 reported as performance data for fiscal year 2008. Based on the results of our work, the agency's Office of Congressional Relations reviewed the fiscal year 2008 data and stated that the actual number of hearings was 298. The primary reason for the difference was that 5 hearings—at which two GAO officials provided separate testimonies—were counted twice, for a total of 10 hearings. We identified several factors that contributed to the difference, such as the need to update existing procedures to verify the accuracy of testimony performance measure data.

Recommendation and GAO Actions: OIG recommended that GAO management include in its revised procedures specific steps for addressing the type of issues identified in our review and verifying the accuracy of testimony performance data prior to their publication. GAO agreed with our recommendation and has issued revised procedures to address the issues discussed in this report. In addition, the agency has revised the number of hearings that it reports for fiscal year 2008 in its annual performance reports.

Information Security: Evaluation of GAO's Information Security Program and Practices for Fiscal Year 2009 (GAO/OIG-10-3, Jan. 4, 2010)¹⁰

Findings: Overall, the OIG's evaluation showed that GAO has established an information security program consistent with the requirements of the Federal Information Security Management Act of 2002, Office of Management and Budget (OMB) implementing guidance, and guidance and standards issued by the National Institute of Standards and Technology (NIST). However, it also found that GAO's information security policies and procedures were not always applied, and that some could be improved to help ensure that they are consistent with the OMB and NIST guidance. For example, OIG found that during fiscal year 2009, GAO greatly increased its systems inventory from 12 to 35 systems but did not complete all of the required security processes and procedures (such as preparing system security plans) for many of the newly added systems. In addition, GAO's incident response and handling

⁹We also issued our previous semiannual report—GAO, Office of the Inspector General, *Semiannual Report: April 1, 2009, through September 30, 2009*, GAO/OIG-10-2 (Washington, D.C.: Dec. 7, 2009).

¹⁰Because the full report contains sensitive information, only our Highlights page is publicly available on <http://www.gao.gov>. However, congressional members can request the full report.

procedures provide a process for investigating security events, such as a denial-of-service attack; however, the decision of whether to classify such events as an incident—and thus, to consider reporting them to other external organizations—needs additional management involvement. Also, GAO has continued to make progress in establishing its privacy program and protecting personally identifiable information. Implementing additional requirements, such as providing annual privacy awareness training, would help to further strengthen this program.

Recommendations and GAO Actions: This report includes recommendations to GAO to (1) complete and document required information security processes and procedures for all systems in the systems inventory, (2) modify the agency's incident handling and response procedures to increase Chief Information Officer involvement in the incident classification process to help ensure that security events are appropriately classified and reported, and (3) continue efforts to implement additional requirements for the agency's privacy program. GAO concurred with these recommendations and plans to complete implementation of planned actions by September 30, 2010. GAO reported that its planned actions include the following: (1) completing system security plans for systems added to GAO's inventory in fiscal year 2009; (2) establishing a process to provide the Chief Information Officer with a monthly briefing on monitored security events that require further analysis; and (3) drafting a privacy incident response guide with breach identification, notification, and remediation procedures, proposing revisions to a computer security response guide, and drafting a privacy training module for all staff.

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

To report fraud, waste, and abuse in GAO's internal operations, do one of the following. (You may do so anonymously.)

- Call toll-free (866) 680-7963 to speak with a hotline specialist, available 24 hours a day, 7 days a week.
- Send an e-mail to OIGHotline@gao.gov.
- Send a fax to the OIG Fraud, Waste, and Abuse Hotline at (202) 512-8361.
- Write to:

GAO Office of Inspector General
441 G Street NW, Room 1808
Washington, DC 20548

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To obtain copies of OIG reports and testimony, go to GAO's Web site: www.gao.gov/about/workforce/ig.html.

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