

STRATEGIC PLAN FISCAL YEARS 2004-2008

INTRODUCTION

The Office of Inspector General (OIG), Railroad Retirement Board (RRB) was established in 1986 by amendments to the Inspector General Act of 1978. This legislation created an independent audit and investigation organization within the RRB and provided for a Presidentially appointed Inspector General. The OIG is responsible for providing independent oversight of the RRB, an agency that administers comprehensive retirement, survivor, unemployment and sickness insurance benefits for the nation's railroad workers and their families. The agency pays over \$8 billion annually in retirement, survivor, and disability benefits to almost 700,000 beneficiaries each year, and approximately \$100 million in net railroad unemployment and sickness insurance benefits to 40,000 claimants.

The OIG focuses audit and investigative efforts on protecting the integrity of the agency's trust funds and improving the delivery of benefits to the railroad community. The office directs its available resources to areas with the greatest impact on the level and quality of service to the railroad community. The Office of Audit (OA) performs audits, inspections and management reviews to improve the economy, efficiency and effectiveness in the administration of RRB programs. Through its work, OA identifies operational problems and program weaknesses, and provides recommendations for corrective actions as well as cost savings. The Office of Investigations conducts investigations to identify waste, fraud and abuse in agency programs, and refers investigative cases for prosecution and monetary recovery action.

The strategic plan identifies the OIG's goals and priorities for the five year period of fiscal year 2004 – 2008. A performance plan for office operations, that establishes performance measures for all strategic goals in each fiscal year, is also included. These measures will be reviewed and evaluated annually to ensure they provide an accurate measurement of OIG accomplishments.

The OIG is aware that external factors may significantly affect planned activities and the allocation of resources during any given fiscal year. New legislative mandates may necessitate the delay in scheduled projects so that we may meet new statutory requirements. In addition, we have drafted our performance plan on the assumption that our current level of funding and staffing will remain steady.

MISSION STATEMENT

The Office of Inspector General:

- Conducts audits, inspections, management reviews and investigations;
- Promotes economy, efficiency, and effectiveness in agency operations;
- Prevents and detects fraud, waste and abuse;
- Reviews and makes recommendations regarding existing and proposed legislation and regulations relating to agency programs and operations; and,
- Keeps the RRB Board Members and the Congress fully informed of problems in agency programs and operations.

STRATEGIC GOALS

This plan establishes three strategic goals:

1. To add value to the agency's programs and operations
2. To protect the integrity of the agency's programs and operations.
3. To ensure quality and excellence in OIG work and products.

Goal 1 addresses the OIG's independent oversight of RRB program operations. The OIG evaluates the agency program functions, assesses program efficiency, and advises management of actions necessary to improve performance.

Goal 2 involves compliance reviews and enforcement activities of program areas to identify systemic weaknesses. The OIG's objective is to reduce the potential for instances of waste, fraud and abuse, and to create a deterrent for fraudulent activities.

Goal 3 focuses on the efficient operation of the Office of Inspector General, identifying ways to streamline audits and investigations by utilizing new technologies, providing staff training and improving planning processes.

Goal 1: Add value to the RRB's programs and operations.

OIG products and services will be used by the RRB, Congress, and other interested parties to improve the efficiency, effectiveness, and integrity of RRB programs and operations.

We will achieve this goal by:

- Focusing OIG work on major RRB programs and operations. Major areas include the annual financial statement audit, information systems and security, improper payments, and e-Government initiatives. We will review operating performance in both program and administrative functions to ensure that agency activities promote efficiency and minimize the potential for fraud, waste and abuse.
- Providing accurate, objective, and timely information to the RRB, Congress, and other interested parties.
- Promoting actions on OIG recommendations.

We will use the following indicators to measure our progress:

- 1) Percentage of RRB program officials contacted to provide input to the annual audit work plan.
- 2) Percentage of recommendations made by the OIG which are accepted by the agency during the fiscal year.
- 3) Percentage of audit reports issued within 8 months of initiation.
- 4) Percentage of audits, evaluations and inspections subject to an internal quality review process.

Goal 2 - Protect the integrity of the RRB's programs and trust funds

This goal addresses the second element of the OIG statutory mission, to prevent and detect fraud and abuse in the agency's programs and operations. We review allegations of fraud that are referred to our office and develop proactive strategies to identify systemic fraud and abuse, and make recommendations to address the causes. The agency has a responsibility for establishing the necessary controls in its operations based on the recommendations issued by this office.

We will achieve this goal by:

- Analyzing RRB programs and operations to identify those that are most susceptible to fraud and abuse and those programs for which the agency's policing mechanisms are ineffective. We will continue to develop traditional information sources both within and outside the agency that provide information concerning allegations of fraud and abuse.
- Taking timely actions in response to allegations of fraud and abuse. We will take a proactive approach to developing electronic information sources and methodologies that will allow us to conduct our investigations and analysis in the most efficient manner. We will provide the necessary support for prosecutors to conduct appropriate criminal or civil actions to address allegations of fraud or abuse.
- Providing all interested parties, i.e., prosecutors, agency officials, Congress and others as warranted, with complete, accurate and timely reports concerning the results of our audit and investigative activities. We will alert agency officials and Congress regarding very significant issues that will impact agency programs and operations. We will encourage publication of judicial results by prosecutors to strengthen the deterrent effect of those actions.
- Conducting timely follow-up actions to ensure the agency addresses systemic problems and our recommendations. We will monitor progress for all matters referred for judicial action through the Department of Justice or other authority.

We present the results of our investigative and audit work to the RRB for corrective and administrative actions, and to other entities responsible for pursuing criminal or civil prosecutions or another type of enforcement action. We will measure our results as reflected below.

- 1) Percentage of allegations that is evaluated and submitted for disposition within 30 days of receipt.

- 2) Percentage of investigations that are accepted by a prosecutor or an agency for judicial or administrative action that result in a successful action, i.e. criminal conviction, civil judgment or administrative action.
- 3) Percentage of systemic issue recommendations that are agreed to by the agency in the current year.
- 4) Percentage of responses to completed case surveys indicating an evaluation of full satisfaction or higher regarding the OIG's investigative products.

Goal 3: Ensure quality and excellence in OIG work and products.

To carry out its mission in a competent and efficient manner, the OIG must have a skilled and motivated work force. All staff must have the knowledge and skills required to perform their duties. OIG management will support its staff by providing the means to carry out the mission of the office.

We will achieve this goal by:

- Focusing on the recruiting and retention of a professional staff that is highly skilled and appropriately developed.
- Ensuring that the staff is fully supported with the necessary tools, services and direction to carry out their oversight duties effectively and efficiently.

We will use the following indicators to measure our progress:

- 1) Percentage of employees meeting the training requirements of their professions.
- 2) Percentage of auditors holding the appropriate credentials to satisfy government, President's Council on Integrity and Efficiency and applicable professional standards.
- 3) Percentage of employees participating in relevant professional organizations.

External Factors That May Affect Achievement of Strategic Goals

New Statutory Requirements: Additional requirements for OIG oversight activities may be imposed upon our organization during any fiscal year. As a result, we would divert resources from planned activities to meet any new legislative mandates. The necessary reallocation of staff could potentially have a significant impact on our ability to meet our performance goals.

Funding: We have prepared our strategic plan and performance objectives on the assumption that our annual funding levels will remain fairly stable. However, should our appropriations be reduced or restricted, we will not be able to fund our current staff or provide the necessary resources to support their work and ensure planned performance levels.

Limitations on Authority: Our performance levels were developed based on our experience in prior years. However, we have no authority to ensure the implementation of our audit recommendations or to ensure action on our referrals to the Department of Justice as a result of our investigative efforts.

**Railroad Retirement Board - Office of Inspector General
FY 2005 - Annual Performance Plan**

Goal/Indicator	Estimated FY 2003 (\$6,300,000)	Estimated FY 2004 (\$6,600,000)	Estimated FY 2005 (\$7,000,000)
Performance Goal I: Focus OIG work on high priority, high risk, RRB programs and operation.			
The OIG will solicit input for the annual workplan from 100 percent of the agency's organizational components.	100%	-	-
Seventy percent of the audits in the annual workplan will be selected based on high risk indicators.	70%	-	-
Eighty percent of the audits will address goals established in the RRB's Strategic Plan.	80%	-	-
Will complete one audit that addresses benefit payment accuracy.	1	-	-
Performance Goal I: Add value to the agency's programs and operations through audits and evaluations. (New Performance Goal)			
The OIG will solicit suggestions for audits and reviews for the annual audit workplan from 100% of the agency's organizational components.	-	100%	100%
Seventy-five percent of audit reports will be issued within 240 days. (New)	-	75%	75%
Eighty per cent of audits, evaluations, and inspections are subject to an internal quality assurance review. (New)	-	80%	80%
Agency management agrees with 80% of recommendations made in audit, evaluation, and inspection reports. (New)	-	80%	80%
Performance Goal II: Provide accurate, objective and timely information to the RRB, Congress and other interested parties.			
The OIG will file 95% of reports on time, and acknowledge 100% of requests for information within three working days.	95%	95%	95%
	100%	100%	100%
Performance Goal III: The OIG's work will deter fraud and abuse in agency programs and foster integrity in its operations.			
The OIG will increase the number of convictions, civil judgements and administrative actions resulting from its investigative case work by 10% over the FY 2000 base of 112.	10%	10%	-
The OIG will increase the amount of monetary accomplishments by 10% over the FY 2000 base of \$3.9 million.	10%	10%	-
The OIG will complete 4 projects to identify fraud cases that are not detected through agency policing procedures.	4	4	-
Percentage of allegations that are evaluated and submitted for disposition within 30 days of receipt. (New)	-	-	95%
Percentage of investigations that are accepted by a prosecutor or an agency for judicial or administrative action that result in a successful action, i.e., criminal conviction, civil judgment or administrative action. (New)	-	-	70%
Percentage of systemic issue recommendations that are agreed to by the agency in the current year. (New)	-	-	95%

**Railroad Retirement Board - Office of Inspector General
FY 2005 - Annual Performance Plan**

Goal/Indicator	Estimated FY 2003 (\$6,300,000)	Estimated FY 2004 (\$6,600,000)	Estimated FY 2005 (\$7,000,000)
Performance Goal IV: Promote cooperative relationships with the RRB and other federal, state and local agencies and departments.			
The OIG will work 10% on average, of its cases as joint investigations with other OIGs, and 8% as joint investigations with other Federal investigative agencies.	OIG 4% OLE 8%	OIG 4% OLE 8%	- -
The OIG will conduct 4 training sessions during the year for RRB staff. (New)	-	4	-
Performance Goal V: Conduct timely follow-up on prosecutions and corrective actions.			
80% of all OIG investigations will be referred for prosecution or administrative action no later than nine months after initiation.	80%	80%	-
Reports on the progress of corrective actions for audit recommendations will be issued to the RRB Chair within 45 days of the close of the six month reporting period.	45 days	45 days	45 days
Performance Goal VI: The OIG will ensure an economical and efficient operation.			
All auditors hold the appropriate credentials to satisfy government, PCIE and applicable professional standards. (New)	-	100%	100%
All auditors will receive 80 hours of continuing professional education over 2 years.	100%	100%	100%
The OIG will increase the amount of monetary accomplishments by 10% over the FY 2000 base of \$3.9 million.	10%	10%	-
Percentage of responses to completed case surveys indicating an evaluation of full satisfaction or higher regarding the OIG's investigative products. (New)	-	-	80%