

**U.S. Department of Labor
Office of Inspector General
Office of Audit**

BRIEFLY...

Highlights of Report Number: 05-09-003-12-001 to the Acting Assistant Secretary for Employee Benefits Security.

WHY READ THE REPORT

The Employee Retirement Income Security Act of 1974 (ERISA) was enacted to protect pension, health, and other employee benefit plans of American workers. In 2008, there were more than 6 million plans, involving 150 million workers and \$6 trillion in assets.

The Department of Labor's Employee Benefits Security Administration (EBSA) works to protect the integrity of these employee benefit plans and ensure that employees receive promised benefits. Specifically, EBSA develops related policies and regulations, educates plan participants and plan officials about their rights and responsibilities, and deters and corrects violations through civil and criminal enforcement programs.

EBSA administers its civil enforcement program through broad enforcement initiatives that it implements through a collection of National and regional enforcement projects.

Demonstrating the achievement of program results and the effective use of resources requires clear program goals and the measurement of program results in relation to those goals.

WHY OIG CONDUCTED THE AUDIT

The OIG conducted a performance audit of EBSA's processes for evaluating its civil enforcement project results. The audit was designed to answer the following question: Is EBSA effectively evaluating its civil enforcement project results and directing its resources to enforcement issues that have a significant impact on American workers' health, pension, and other employee benefits?

READ THE FULL REPORT

To view the report, including the scope, methodology, and full agency response, go to:

<http://www.oig.dol.gov/public/reports/oa/2009/05-09-003-12-001.pdf>

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EBSA Could More Effectively Evaluate Enforcement Project Results

WHAT OIG FOUND

With its current performance measurement process, EBSA could not (1) effectively measure outcomes of its civil enforcement projects or (2) demonstrate that it allocated civil enforcement resources to areas of highest impact on its mission.

EBSA could not evaluate the outcome of its civil enforcement projects because it did not clearly define project goals relative to its mission and it did not measure the impact of project results on its mission. While EBSA described each of its enforcement projects, it did not clearly define the intended outcome of each project.

EBSA benchmarked its individual civil enforcement projects using the same measure it reports under the Government Performance and Results Act for its overall civil enforcement program. It also tabulated several indicators of internal activity such as monetary results, staff days expended per case, and the number of civil cases converted to criminal cases (i.e., outputs). However, none of these indicators measured external events or conditions (i.e., outcomes). Thus, EBSA could not demonstrate the impact of these projects on its overall mission to deter and correct ERISA violations. In addition, EBSA could not show that it used enforcement project outcomes to direct enforcement efforts to areas of highest impact on its mission.

WHAT OIG RECOMMENDED

We recommended that the Acting Assistant Secretary for Employee Benefits Security require EBSA to (1) better define the objective of each of its civil enforcement projects; (2) establish performance indicators that evaluate each civil enforcement project's results versus the stated objective; and (3) develop guidance for allocating enforcement resources based on intended civil enforcement outcomes and actual performance results.

EBSA agreed that the objective of each of the national enforcement projects could be clearer and agreed to expand its public description of the national enforcement projects.

However, EBSA views its current results indicators and guidance on resource allocation as adequate.