



***The Role and Mission  
of the  
Office of Inspector  
General***



**Office of Inspector General  
U. S. Department of Labor  
Washington, DC  
July 2006**

## **OIG Mission Statement**

The Office of Inspector General serves the American worker and taxpayer by conducting audits and investigations that result in improvements in the effectiveness, efficiency and economy of Departmental programs and operations. We detect and prevent fraud, waste, and abuse in DOL programs. We also conduct investigations into labor racketeering in the American workplace. We provide advice to the Secretary and the Congress on how to attain the highest possible program performance.

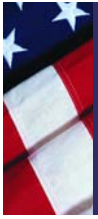
## **OIG Vision Statement**

To be a world -class agency that is sought after:

- By the Congress - for objective, relevant information;
- By the Administration - for expert advice and reliable assessments; and,
- By talented professionals - for careers in an agency that recognizes outstanding public service.



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The Office of Inspector General (OIG) was established at the Department of Labor (DOL) by the Inspector General Act of 1978 (IG Act). In the years since its establishment, six Inspectors General have served at the Department of Labor.

The Congress created independent OIGs in response to a series of government scandals that had occurred over the preceding decade. Congress believed that by establishing independent Inspectors General (IGs) within each major Federal agency:

- taxpayers' funds could be more prudently used and accurately accounted for;
- the government would be better equipped to prevent and detect fraud, waste, and abuse; and
- the public's confidence in their government would be enhanced.



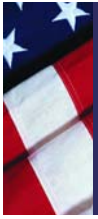
## Functions and Responsibilities of the OIG

The OIG conducts audits to review the effectiveness, efficiency, economy, and integrity of all DOL programs and operations, including those performed by its contractors and grantees. They are conducted in order to determine whether:

- the programs and operations are in compliance with the applicable laws and regulations;
- DOL resources are efficiently and economically being utilized; and
- DOL programs achieve their intended results.

In addition, the OIG:

- is responsible for conducting criminal, civil, and administrative investigations relating to alleged or suspected violations of Federal laws, rules or regulations, as they pertain to DOL programs, operations, and personnel.
- is unique among Inspectors General in that it has a legislated external function to combat the influence of organized crime, labor racketeering, and corruption in employee benefit plans, labor-management relations, and internal union affairs. The primary emphasis of the program continues to be the investigation and removal of organized crime's influence and control over the nation's labor unions and employee benefit plans. In recent years, we have begun investigating non-traditional organized crime groups and their impact on DOL programs.
- provides physical protection to the Secretary.



The Inspector General reports directly to the Secretary and Deputy Secretary and keeps them fully informed about problems and deficiencies in programs administered by the Department and the need for timely corrective action.

Our reporting mechanisms include:

- meetings and briefings with departmental officials;
- meetings with members of Congress and their staffs;
- congressional testimony;
- the Semiannual Report to the Congress;
- Top Management Challenges Report; and
- a special report to the Secretary on particularly serious or flagrant problems. The Secretary must then transmit that report (often called a “7-day letter”) to the Congress within seven days.

In performing its work, the Inspector General:

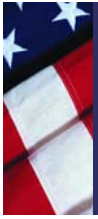
- must have access to all departmental records, reports, audits, reviews, and any other documents or records that the Inspector General needs to accomplish its mission. In its internal policy documents, the Department has specifically stated that all employees must cooperate and provide information to the Inspector General when requested.
- may issue subpoenas to persons and entities other than DOL or other Federal agencies for the production of documents, reports, records, accounts, papers, and other documentary evidence necessary in the performance of the functions assigned.



## The Inspector General:

- Is nominated by the President and confirmed by the Senate, without regard to political affiliation and solely on the basis of integrity and demonstrated ability. The IG is non-political and, therefore, is subject to the Hatch Act. An IG may only be removed by the President, who must notify the Congress of the reasons for such removal.
- Has independent authority within the Department to initiate and conduct audits and investigations and to issue administrative subpoenas to individuals or entities outside the Federal government in order to obtain full access to documents and records. The OIG also has access to all records, reports, papers, documents, and other materials available to the Department, as well as the authority to request information or assistance from any Federal, state, or local government agency and to report any refusals to the agency head without delay.
- Has authority to have direct and prompt access to the Secretary for any purpose relating to the performance of the OIG's mission and responsibilities.
- Is under the general supervision of the Secretary and Deputy Secretary for administrative issues. The IG has the authority to select and appoint employees, directly contract for program services, and maintain legal counsel who reports directly to the IG.





The OIG develops its strategic work plan through consultations with its customers, stakeholders and others including DOL program management, Congressional committees, U.S. Attorneys, the Government Accountability Office, and other government entities. In addition, the Secretary and the Congress may request the OIG to perform an audit or investigation.

For its audits, the OIG prioritizes the potential areas, and – based on a risk assessment that considers program dollar size, vulnerability to abuse, potential impact on the public, and prior audit and investigative history – develops a comprehensive, coordinated strategy to address those high-priority areas. After consideration of the availability of OIG staff resources and any planned initiatives of other government entities, the OIG develops its annual work plan of initiatives, and then shares it with DOL management.

Program fraud investigations typically result from allegations or suspicions of wrongdoing involving DOL programs, operations or personnel. They may also be the result of broad initiatives arising out of prior OIG activities, or as part of broad interagency initiatives, normally in consultation with the appropriate U.S. Attorneys.

Labor racketeering investigations give highest priority to traditional organized crime domination of labor unions and/or employee benefit plans. Priority is also given to organized crime influence or manipulation of labor unions and/or employee benefit plans, and cases where the perpetrators are not members of traditional organized crime, but can be considered (either by criminal background or the nature of the activity) to be professional criminals who have used a position of trust or control for criminal purposes.





## Audits

Typically, the OIG advises DOL management and/or the auditee of findings as they are developed during the course of an audit. Before formally issuing the draft report for comment by senior agency or department officials, the OIG sends a discussion draft to the agency or auditee for review and schedules an exit conference. At the exit conference, the agency or auditee offers oral comments on the report's accuracy, tone, balance, completeness, feasibility of recommendations, and describes any corrective actions already underway. After the meeting, the OIG considers the agency or auditee comments, prepares and issues the draft report and requests that the agency or Department respond in writing by a specific date, usually within 2 weeks.

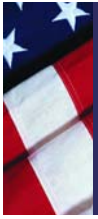
After receiving comments to the draft report, OIG issues the final report and requests that the agency or Department respond to the final report within 60 days, indicating its agreement or disagreement with the audit findings and recommendations and the reason for any disagreement.

## Investigations

Reports of OIG investigations are presented to the U.S. Attorney's Office, or other appropriate prosecutive office, for consideration of criminal and/or civil actions. The OIG also may issue an Investigative Memorandum to agency management when investigative findings may warrant an administrative action or when systemic weaknesses or vulnerabilities are identified in agency programs or operations.

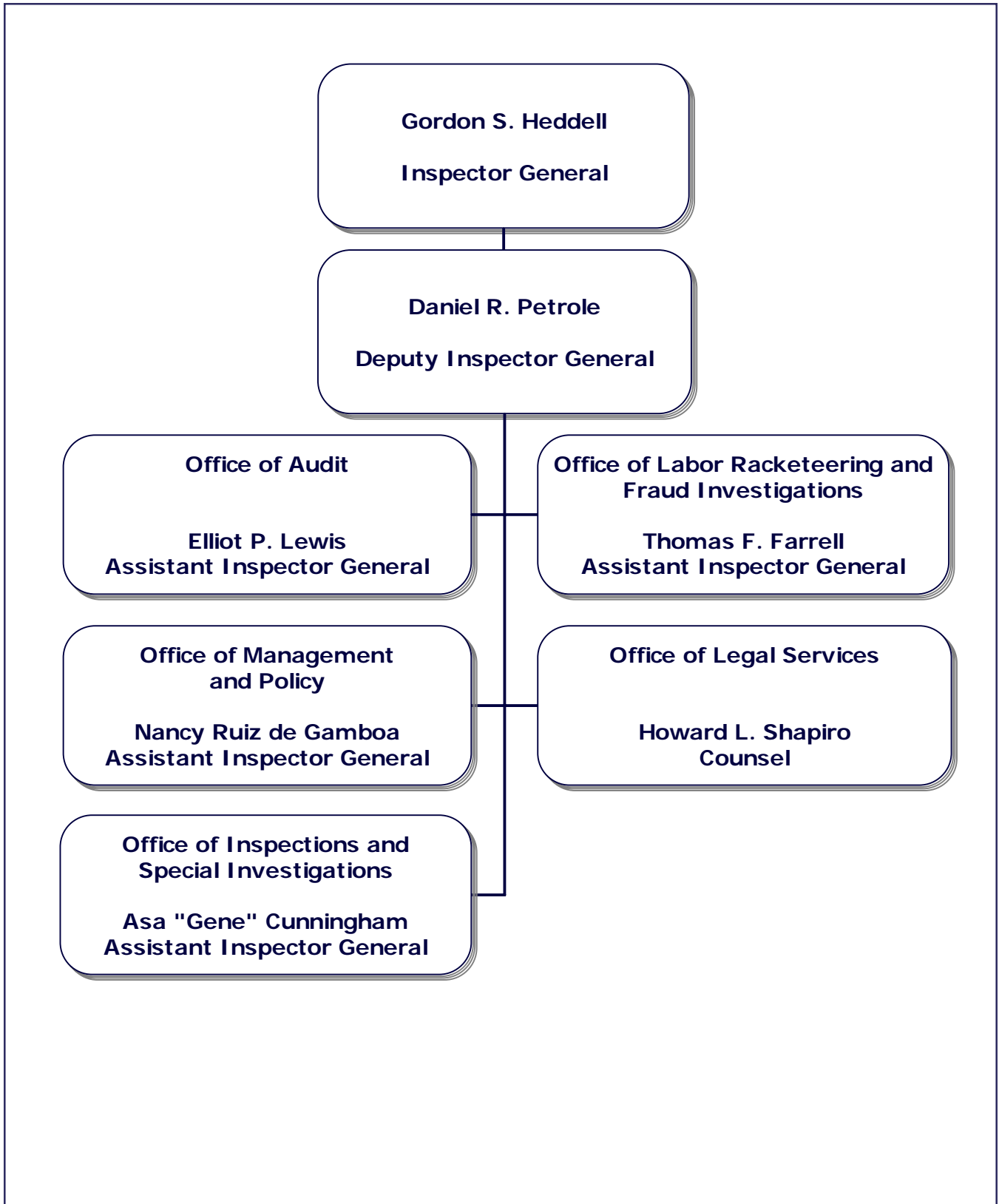
## Other Reporting Methods

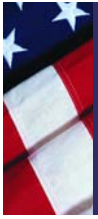
The OIG also keeps the Secretary and Congress informed in a number of other ways. These include meetings and briefings; Congressional testimony; the Semiannual Report to the Congress (which the Secretary transmits to the President of the Senate and the Speaker of the House within 30 days of its receipt); and a special seven-day report for notifying the Secretary and the Congress of any particularly serious or flagrant problems requiring immediate attention.



The IG Act requires that the OIG review and comment on all proposed and existing legislation and regulations in order to make recommendations concerning their impact on the economy and efficiency of DOL programs and operations.

Accordingly, as part of its review of DOL programs and operations, the OIG often makes legislative or regulatory recommendations to the Department and the Congress. These recommendations may be made as part of the Department's ongoing legislative review and clearance process; incorporated within audit reports or investigative memoranda provided to DOL program agencies; included in our Semiannual Report to the Congress; or presented as part of our testimony during Congressional hearings.





### **Office of Audit**

The Office of Audit is responsible for: conducting and supervising audits relating to the DOL's programs and operations; recommending policies for activities designed to promote economy, efficiency, and effectiveness in the administration of the Department's programs and operations; and preventing and detecting fraud, waste, abuse, and mismanagement.

### **Office of Labor Racketeering and Fraud Investigations**

The Office of Labor Racketeering and Fraud Investigations (OLRFI) conducts criminal investigations relating to programs, operations, and employees of the Department. In addition, unlike other OIGs, the DOL OIG has a unique program responsibility for investigating labor racketeering and organized crime influence or control in unions and the workplace. Specifically the office identifies and curtails labor racketeering and corruption in employee benefit plans, labor-management relations, and internal union affairs. In addition, OLRFI investigates non-traditional organized crime groups impact on the DOL programs such as the foreign labor certification and Unemployment Insurance programs.

### **Office of Management and Policy**

The Office of Management and Policy (OMAP) provides for overall direction, planning, management, and administration necessary to carry out the nationwide responsibilities of the OIG. This includes human resources, information technology, budget, procurement, and EEO. OMAP is also responsible for congressional liaison and reporting, agency-wide strategic planning, developing OIG policy, and reviewing and assessing proposed legislation and regulations. In addition, OMAP is responsible for the OIG's participation in activities of the President's Council on Integrity and Efficiency.

### **Office of Legal Services**

The Office of Legal Services provides independent legal services and counsel to the Inspector General and the OIG components. Moreover, the office operates a complaint analysis unit to address stakeholder allegations of wrongdoing involving DOL operations and programs.

### **Office of Inspections and Special Investigations**

The Office of Inspections and Special Investigations is responsible for employee integrity investigations and performs internal inspections of OIG programs and functions.