

Office of Inspector General

Strategic Plan for Fiscal Years 2008 - 2012




FEDERAL MARITIME COMMISSION
Office of the Inspector General

Memorandum

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TO: Commissioner A. Paul Anderson
Commissioner Joseph E. Brennan
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FROM: 
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SUBJECT: OIG Strategic Plan
October 1, 2007 - September 30, 2012

Attached is the OIG strategic plan which provides broad guidance for this Office over the next five years. This is a flexible document and it will be reviewed on an annual basis to determine whether changed circumstances warrant any amendment to the basic plan. The OIG annual plan is designed to specifically address issues discussed in the OIG strategic plan as well as the Agency strategic plan.

If you have any questions or comments please contact me.

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INTRODUCTION

This strategic plan outlines the Office of Inspector General's (OIG) assessment of its strategic direction through the end of fiscal year 2012. In this plan, the OIG has identified its mission, developed goals to support that mission, detailed the expected performance outcomes associated with each goal, outlined strategies for achieving the goals, and set forth performance measures to determine the OIG's effectiveness in meeting its goals.

Strategic planning in the IG community is not a new concept. However, additional emphasis was placed on the need for strategic planning after a report issued in 1993 by the U.S. General Accounting Office recommending that OIGs at designated federal entities develop strategic plans. The *Government Performance and Results Act of 1993* requires government organizations to set goals, measure performance and report on their accomplishments. Finally, the Executive Council on Integrity and Efficiency (ECIE) and the Presidential Council on Integrity and Efficiency (PCIE) produced the *IG Vision Statement and Statement of Reinvention Principles* which were designed to foster increased cooperation between the OIGs and agency management.

The OIG is committed to at least annually reassessing its planned activities, policies and practices to ensure their effectiveness. Consequently, elements of the OIG's Plan may change as circumstances change.

BACKGROUND

The Federal Maritime Commission (Commission or FMC) was established as an independent regulatory agency in 1961 and is responsible for the regulation of ocean borne transportation in the foreign commerce on the United States. The principal statutes or statutory provisions administered by the Commission are the Shipping Act of 1984, as amended by the Ocean Shipping Reform Act of 1998; the Foreign Shipping Practices Act of 1988; and Section 19 of the Merchant Marine Act of 1920.

The FMC is headed by five Commissioners nominated by the President and confirmed by the Senate, each serve five-year terms. One of the five Commissioners serves as the Chairman of the agency who serves as the agency's chief executive and administrative officer.

The Commission's regulatory responsibilities include:

- Reviewing agreements among ocean common carriers and marine terminal operators (MTO) relating to service in the U.S. foreign ocean borne trades, to ensure that they do not cause substantial ill effects to transportation costs, services or to shipping in the U.S. foreign trades.
- Reviewing service contracts between ocean common carriers and shippers to guard against ill effects to shipping in the U.S. foreign trades.
- Ensuring that common carriers' tariff rates and charges are accessible to the shipping public in private, electronically accessible systems.
- Regulating rates, charges, and rules of government-owned or controlled carriers to ensure that they are just and reasonable.
- Issuing passenger vessel certificates evidencing financial responsibility of vessel owners or charters to pay judgments for personal injury or death, or to refund passenger fares for the nonperformance of a voyage or cruise.
- Licensing ocean transportation intermediaries (OTI) to protect the public from unqualified, insolvent or dishonest companies.
- Ensuring that OTIs maintain sufficient financial responsibility to protect the shipping public from financial loss.
- Ensuring against harm to the shipping public by investigating rates, charges, classifications and practices of common carriers, MTOs and OTIs operating in the foreign commerce of the U.S.
- Taking action to address unfavorable conditions arising out of foreign government or business practices in the U.S. foreign shipping trades.

FMC Vision

Fairness and Efficiency in U.S. Maritime Commerce

FMC Mission

- *Develop and administer policies and regulations that foster a fair, efficient and secure maritime transportation system;*
- *Protect U.S. maritime commerce from unfair foreign trade practices and market-distorting activities;*
- *Facilitate compliance with U.S. shipping statutes through outreach and oversight; and*
- *Assist in resolving disputes.*

FMC Strategic Goals

The FMC has identified five major goals in its strategic plan. They are:

1. *Efficient Regulatory Process:* Provide a timely, efficient and decisive regulatory process, including alternative dispute resolution, to enable all segments of the industry to operate more effectively, with a minimum of regulatory costs.
2. *Compliance:* Promote efficiency and fairness in U.S. foreign waterborne commerce through various means, including outreach and monitoring, to protect the public and assist stakeholders in achieving compliance with ocean transportation statutes administered by the FMC.
3. *Balanced Enforcement:* Foster economic efficiencies, reliance on marketplace factors and maritime security by administering U.S. shipping statutes in a balanced and equitable manner to redress excessive anticompetitive actions and other unlawful activities.
4. *Technological Efficiencies:* Employ technological enhancements to improve efficiency and to facilitate the exchange of information.
5. *Management Capabilities:* Ensure the FMC has the appropriate organizational framework and management systems to carry out its statutory mandates.

PLANNING ASSUMPTIONS

In preparing the OIG strategic plan, we made certain assumptions relating to the Agency's future over the next five years. These are addressed below:

1. Management acceptance of, and cooperation with, the OIG will continue to foster a positive working relationship.
2. There will be no increase in the size of the OIG and the number of FTEs allocated will remain constant over the five-year period.
3. OIG will have sufficient budgetary resources to be able to retain outside contractors for audit assistance as well as maintain a viable and effective office.
4. There will be no significant legislative changes which will affect the jurisdiction of the OIG.
5. The present MOUs with the Commission's Office of the General Counsel for legal assistance and with the SSA OIG for investigative support will remain in effect.

OFFICE OF INSPECTOR GENERAL

The Inspector General (IG) Act of 1978, as amended, creates independent audit and investigative units called Office of Inspectors General (OIG) at 61 Federal agencies, including the Federal Maritime Commission. The mission of the OIGs, as spelled out in the IG Act, is to:

- Conduct and supervise independent and objective audits and investigations relating to agency programs and operations.
- Promote economy, effectiveness, and efficiency within the agency.
- Prevent and detect fraud and abuse in agency programs and operations.
- Review and make recommendations regarding existing and proposed legislation and regulations relating to agency programs and operations.
- Keep the agency head and Congress fully and currently informed of problems in agency programs and operations.

More specifically, our mission as it relates to the OIG Strategic Plan is to ensure that the Commission's goals are achieved in a cost efficient and effective manner.

To ensure objectivity, the IG Act empowers IGs with:

- Independence to determine what reviews to perform.
- Access to all information for the reviews.
- Authority to publish findings and recommendations based on the reviews.

On the following pages we have outlined four *Goals*, *Objectives*, and *Strategies* to achieve our goals, and *Performance Measures* to determine the effectiveness of our efforts.

The Strategic Plan provides a long range framework from which the annual performance plan is prepared each year. The annual plan specifically addresses many of the goals in the Strategic Plan through the audits and investigations conducted.

OIG Products: *To provide products and services that promote positive change in FMC policies, programs and operations.*

Objective A: Address priority issues and concerns of the Commission, Management and Congress.

Strategy: Perform work that supports:

- Federal Maritime Commission and Congressional priorities;
- Federal Maritime Commission Strategic Goal efforts; and
- The review of existing and proposed laws and regulations affecting FMC programs and operations.

Focus OIG attention in the following areas of emphasis:

- Managing change;
- Resource allocation in relation to policy objectives;
- Causes of fraud and inefficiency;
- Automation and communication; and
- Strengthening internal controls.

Objective B: Deliver timely, high-quality products and services that promote positive change.

Strategy:

- Establish common OIG standards for communicating results;
- Conduct quality assurance programs;
- Solicit appropriate internal and external review and comment;
- Comply with applicable statutory guidelines and standards; and
- Set realistic and appropriate milestones.

Objective C: Follow-up and evaluate results of OIG products and services to assess their effectiveness in promoting positive change.

Strategy:

- Identify, as appropriate, lessons learned to improve timeliness and quality; and
- Conduct follow-up reviews to determine if intended results have been achieved.

Objective D: Satisfy customers, consistent with the independent nature of the OIG.

Strategy:

- Establish professional communication and interaction with customers to promote the open exchange of ideas;
- Incorporate customer feedback, as appropriate;
- Be open to customer-generated solutions and options; and
- Maintain an OIG “Hotline” for the receipt of suggestions, information on possible violations of law and regulations of FMC’s regulatory responsibilities.

Performance Measures: *Determine the timeliness and quality of products and services; their effectiveness in promoting positive change; and reach agreement with management on all recommendations within six months of the report issue date.*

OIG Investigations: *To conduct investigations with the assistance of those that have MOUs with the OIG to facilitate the proper disposition of allegations of possible criminal violations and possible administrative abuses involving Federal Maritime Commission employees and/or programs.*

Objective A: Facilitate the Commission's administrative adjudication of matters involving possible administrative abuses by Commission employees in the operation of the agency's programs.

Strategy:

- Review all allegations to identify possible administrative improprieties and immediately advise management;
- Coordinate with management to ensure OIG is immediately notified of possible administrative violations;
- Based on information gathered during investigations, identify any audits needed to address systemic weaknesses contributing to the administrative impropriety;
- Maintain a HOTLINE operation to ensure that those who may want to anonymously report wrongdoing in the Commission's programs and operations can do so;
- Attend various investigative forums to remain current on new administrative schemes and investigative techniques;
- Coordinate with the IG's Council of Counsels on legal issues impacting OIG investigative activities;
- Conduct administrative investigations in accordance with *Quality Standards for Investigations* issued by the PCIE/ECIE; and
- Provide training to all OIG staff on investigative techniques.

Performance Measures: *Administrative investigations are conducted in a manner that does not jeopardize the successful investigation and adjudication of criminal matters, facilitates appropriate administrative actions by management and safeguards information developed during the course of the investigation.*

OIG Process: *To develop and implement processes, policies, and procedures to ensure the most effective and appropriate use of OIG resources in support of our staff and products.*

Objective A: Maintain a dynamic strategic planning process.

Strategy:

- Periodically review and update the strategic plan to address changing OIG and FMC priorities; and
- Identify factors that influence organizational change and develop short and long term plans to address them.

Objective B: Plan and conduct cost-effective evaluations that address critical issues and result in positive change.

Strategy:

- Solicit FMC management's input in planning OIG activities;
- Develop internal planning mechanisms to support FMC goals and priorities;
- Ensure that priorities of OIG are effectively communicated; and
- Identify specific targets for OIG review that are the most cost-effective.

Objective C: Identify customer needs and provide products and services to meet them.

Strategy:

- Establish customer feedback mechanisms;
- Consider and evaluate customer feedback when planning and developing products and services;
- Respond to Congressional inquiries;
- Promote open exchange of ideas and information through outreach; and
- Receive, evaluate and respond, as appropriate, to information received through the OIG hotline and other sources.

Objective D: Implement efficient, effective, and consistent resolution and follow-up procedures.

Strategy:

- Ensure that IG follow-up procedures are followed and that management is aware of its role in this process;
- Establish common OIG standards for terminology, date maintenance and communications.
- Maintain the audit tracking system to include recommendations and management's corrective actions with proposed due dates.

Objective E: Establish a positive and productive working environment.

Strategy:

- Reengineer or streamline OIG procedures to achieve the most effective use of resources; and
- Ensure that necessary technologies are made available to staff as needed.

Performance Measures: *An annual audit plan is issued; the strategic plan is periodically reviewed; and necessary technology is provided to staff to enable them to most efficiently perform their duties.*

OIG Staff: *To maintain a skilled and motivated workforce in an environment that fosters accountability, communications, teamwork, and personal and professional growth.*

Objective A: Attract and retain well-qualified, diverse and motivated employees.

Strategy:

- Develop and implement a comprehensive recruiting program that attracts a broad population with the knowledge, skills, abilities, and expertise necessary to make meaningful contributions to the OIG;
- Assess employee satisfaction and develop strategies to address employee concerns;
- Identify reasons for staff departures and develop plans to foster greater staff retention; and
- Adhere to EEO principles and strive to maintain a diverse workforce.

Objective B: Provide training and developmental opportunities to employees.

Strategy:

- Assess training needs in relation to employee and office needs;
- Ensure that *Government Auditing Standards* in relation to training are adhered to; and
- Maintain a reporting system to ensure that educational requirements are met.

Objective C: Assess, recognize and reward, when possible, performance that contributes to achieving the OIG mission.

Strategy:

- Develop and articulate expectations for each employee's performance, including contributions in meeting the mission and goals of the OIG; and
- Ensure that rewards, when possible, are given in recognition of exceptional employee performance.

Objective D: Create and maintain a working environment that promotes teamwork and effective communication.

Strategy:

- Ensure that communication between employees is open; and
- Provide employees with the tools and incentives they need to adequately perform their duties.

Performance Measures: *All employees meet or exceed the training requirements; all employees have performance standards; and all employees meet the basic requirements for the position in which they were hired to perform.*