FY 2012

OIG ANNUAL WORK PLAN

OCTOBER 1, 2011–SEPTEMBER 30, 2012

GPO U.S. GOVERNMENT PRINTING OFFICE
Office of the Inspector General

WORK PLAN

GOAL 1: Assist Government Printing Office (GPO) in meeting its strategic management goals related to transforming itself into a digital information platform and provider of secure documents to satisfy changing customer requirements in the present and in the future.

- Controls over the Passport Inventory Tracking System
- Controls over Passport Production Personnel Security
- Actions to Strengthen and Sustain GPO's Transformation to a Digital Platform
- Controls over Information Security Management
- GPO's Public Key Infrastructure Certification Authority
- Safeguards over Blank Passports

GOAL 2: Promote economy, efficiency, and effectiveness in GPO operations by helping GPO managers ensure financial responsibility.

- Audit of GPO's Consolidated Financial Statements
- GPO's Fleet Card Program
- Volatility of GPO's FECA Estimated Liabilities
- GPO's Safety Program

GOAL 3: Strengthen GPO's print procurement programs that support other Government entities, by providing quality and timely assessments.

- Opportunities to Reduce Potential Costs Associated with Duplication in Government Printing
- Use of Suspensions and Debarments in Contracted Printing Services

GOAL 4: Reduce improper payments and related vulnerabilities by helping GPO managers reduce payment errors, waste, fraud, and abuse in the major GPO programs and operations while continuing to ensure that programs serve and provide access to their intended parties.

- Management Controls over Overtime Pay
- FDsys Contract Administration
- Controls over Improper Payments
- Controls over the Management of the FECA
- Controls over GPO's Purchase Card Program

GOAL 5: Increase the efficiency and effectiveness with which GPO managers exercise stewardship over official publications from all three branches of the Federal Government.

- Development of FDsys
- Assessment of the Federal Depository Library Program's Biennial Survey

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Message from the **INSPECTOR GENERAL**
U.S. GOVERNMENT PRINTING OFFICE

I am pleased to present the GPO OIG Annual Work Plan for fiscal year (FY) 2012. This document describes how OIG will achieve its mission of helping the GPO effectively carry out its responsibilities by promoting economy, efficiency and effectiveness in the administration of, and to prevent and detect fraud and abuse in GPO programs and operations. We aligned our Annual Work Plan with the OIG's and GPO's Strategic Plan.

This plan reflects the priority work that the OIG believes is necessary to provide effective oversight of the broad spectrum of GPO programs and operations. The OIG anticipates that there will be fewer resources available to carry out our mission in FY 2012. Accordingly, adjustments to this plan may be necessary as the year unfolds to ensure that we direct our resources to areas of highest risk and vulnerability.

Primary sources of input for the projects listed in this plan included risk assessments across GPO programs and operations based upon prior OIG work, U.S. Government Accountability Office (GAO) high-risk assessments, and identification of key GPO challenges and priorities.

Our planning also reflects direct outreach and solicitation of topics and assignment suggestions from GPO's leadership, external stakeholders, our staff, and oversight requirements. As a result, a number of assignments listed in this plan are responsive to the immediate concerns or requests of GPO managers. Other assignments are required or are self-initiated based upon our themes, which are focused on providing the greatest value and risk reduction to GPO.

I want to thank each member of GPO's leadership as well as external stakeholders and our staff for their direct participation in this process. I look forward to continuing an open dialogue for receiving ideas, suggestions, and feedback.

MICHAEL A. RAPONI
Inspector General

INTRODUCTION

This OIG Annual Work Plan identifies selected assignment topics continuing from fiscal year (FY) 2011 and assignment topics scheduled to be started during FY 2012, providing for unforeseen work that may be requested by hotline complaints, GPO leadership, and Congress.

This plan is implemented through audits, evaluations, investigations, and follow-up reviews in compliance with the Inspector General Act, the applicable professional standards of the U.S. Comptroller General, and the Quality Standards for Federal Offices of Inspector General of the Council of the Inspectors General on Integrity and Efficiency.

SUMMARY OF THE OIG'S STRATEGIC PLAN

The OIG's Strategic Plan sets forth the OIG's formal strategy for identifying priority issues and managing its workload and resources for FY 2012-2016. Successful execution of this plan will enable the OIG to provide the highest quality work products to our stakeholders and to assist the GPO in meeting its strategic mission, goals and objectives.

Our mission is to help the GPO effectively carry out its responsibilities by promoting economy, efficiency and effectiveness in the administration of, and to prevent and detect fraud and abuse in GPO programs and operations.

Our goals are:

GOAL 1: Assist GPO in meeting its strategic management goals related to transforming itself into a digital information platform and provider of secure documents to satisfy changing customer requirements in the present and in the future.

GOAL 2: Promote economy, efficiency, and effectiveness in GPO operations by helping GPO managers ensure financial responsibility.

GOAL 3: Strengthen GPO's print procurement programs that support other Government entities by providing quality and timely assessments.

GOAL 4: Reduce improper payments and related vulnerabilities by helping GPO managers reduce payment errors, waste, fraud, and abuse in the major GPO programs and operations while continuing to ensure that programs serve and provide access to their intended parties.
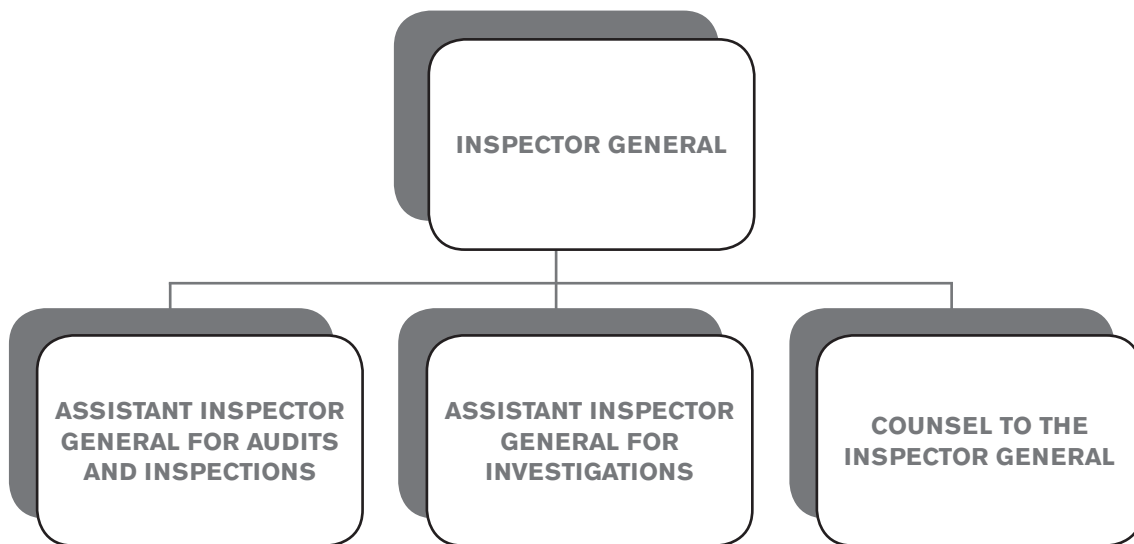
GOAL 5: Increase the efficiency and effectiveness with which GPO managers exercise stewardship over official publications from all three branches of the Federal Government.

GOAL 6: Strive for a highly qualified diverse workforce with the tools and training necessary to continuously enhance OIG's ability to fulfill its mission and communicate its accomplishments.

To accomplish these goals we will continuously monitor and assess risks in GPO programs and operations to identify those critical to the achievement of our goals and target resources to address those critical risks.

ORGANIZATION AND RESOURCES

The OIG is based in Washington, D.C., with three offices, the Office of Audits and Inspections, the Office of Investigations, and Counsel to the Inspector General.

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The Inspector General provides policy direction and leadership for GPO's OIG and serves as an independent voice to the Public Printer and the Congress by identifying opportunities and promoting solutions for improving the GPO's performance and economy and efficiency of operations, while preventing and detecting fraud, waste, and abuse.

The Assistant Inspector General for Audits and Inspections conducts performance and financially-related audits across the spectrum of GPO's program and operational activities. It produces reports on those activities that are aimed at improving GPO's economy, efficiency, and effectiveness, while seeking to detect and prevent fraud, waste, and abuse. Audit

activities are focused on issues related to our strategic plan and related activities. Audits are conducted in accordance with generally accepted government auditing standards.

The Assistant Inspector General for Audits and Inspections also identifies opportunities to improve cost efficiency and effectiveness, and the overall quality of service delivery throughout GPO. Inspections are reviews of agency activities, typically focused more broadly than an audit and designed to give agency managers timely and useful information about operations, including current and anticipated problems. Inspections are also sometimes referred to as evaluations.

The Assistant Inspector General for Investigations investigates allegations of fraud, waste, abuse, and misconduct that could affect GPO's programs, operations, assets, and other resources. Investigative findings are referred to the Department of Justice for criminal prosecution or civil litigation, or to GPO management for administrative action. The office develops recommendations to reduce GPO's vulnerability to criminal activity.

The Counsel to the Inspector General is responsible for providing legal assistance and advice to OIG senior management and supports audits, evaluations, special reviews, and investigations. Counsel coordinates with outside attorneys, including local and federal agencies and law enforcement attorneys.

Other administrative matters include financial management, procurement, human capital management, administrative, and information technology services to support OIG operations. In addition, the OIG reports semiannually to the Public Printer and the Congress on the activities of the OIG during the 6-month periods ending March 31 and September 30. The Semiannual Reports to Congress are intended to keep the Public Printer and the Congress fully and currently informed of significant findings and recommendations by the OIG.

Also, the OIG provides the Public Printer and Congress an assessment of the most serious management challenges facing GPO.

AUDIT AND INSPECTION PLAN

GOAL 1
Assist GPO in meeting its strategic management goals related to transforming itself into a digital information platform and provider of secure documents to satisfy changing customer requirements in the present and in the future.

CARRYOVER PROJECTS
Controls over Passport Inventory Tracking System
GPO's e-Passport printing and production system uses commercial-off-the-shelf operating system and customized application to track embedded chips throughout the e-Passport production process. It also controls the movement of passports throughout their workflow. The application tracks chips from the time they are batched for processing until they are shipped to the State Department as finished e-Passport books or returned to the vendor as defective. The metadata residing in the chips as shipped by the chip vendor is ingested into the application suite. Once ingestion is complete, GPO establishes and maintains tracking of individual chips. The metadata GPO maintains is designed to provide GPO passport production with meaningful reports, both for work in progress and historical functions.

This assessment will help managers strengthen controls over the inventory tracking computer system.

Controls over Passport Production Personnel Security
The purpose of this assessment is to determine whether the process for identifying positions related to GPO passport production personnel that require a security clearance is effective to mitigate personnel security risks.

NEW PROJECTS PLANNED
Actions to Strengthen and Sustain GPO's Transformation to a Digital Platform
The transformation of the GPO has begun. The trend towards producing government documents through electronic publishing technology and providing public government documents through the Internet has affected all of GPO's programs, reducing the production, procurement, and sales of printed products. These have historically provided GPO with a vital source of revenue to supplement its annual budget. GPO is making operational and cultural changes to help ensure GPO stays relevant and efficient, and meets its customers' needs.

This assessment is intended to determine the status of GPO's efforts and make recommendations to assist GPO with the transformation implementation.

Controls over Information Security Management
As GPO continues to transition into the digital information platform, GPO managers will face challenges related to protecting critical Agency systems, information, and data. To the extent GPO is a "contractor" for agencies of the Executive branch, those agencies rely on GPO's information security management.

The Federal Information Security Management Act (FISMA) requires that each year Executive branch agencies conduct an independent evaluation of their security programs for compliance with the FISMA. Although it has no specific congressional mandate, GPO has chosen to substantially comply with the principles of the Act.

The evaluation includes an assessment of the effectiveness of the program, plans, practices, and compliance with FISMA requirements. FISMA requirements also extend to any systems that a contractor uses to support an agency. This assessment will help GPO managers with challenges related to protecting critical Agency systems.

GPO's Public Key Infrastructure (PKI) Certification Authority (CA)

WebTrust assessment is a critical part of the GPO PKI's certification as a Shared Service Provider. The WebTrust assessment results in a WebTrust Seal that GPO can display on its Web site as a method of conferring confidence to a potential entity seeking PKI services.

This assessment will provide an assurance service to GPO by performing a WebTrust CA examination with respect to all WebTrust criteria, in accordance with Generally Accepted Government Auditing Standards. We will determine whether the PKI CA system is being operated in accordance with its published Certificate Policy and Certificate Practice Statement . We will also assess GPO's compliance with reporting requirements of the Federal Infrastructure Policy Authority and the Shared Service Provider Working Group.

Safeguards over Blank Passports

This assessment will determine whether adequate safeguards are in place to provide reasonable assurance GPO is protected from liability during the development and transportation of blank passports.

GOAL 2

Promote economy, efficiency, and effectiveness in GPO operations by helping GPO managers ensure financial responsibility.

Audit of GPO's FY 2011 Consolidated Financial Statements

The OIG entered into a contract with an Independent Public Accounting firm to conduct the FY 2011 financial statement audit. The audit will express an opinion on GPO's financial statements and report on GPO's internal controls over financial reporting and compliance with applicable laws and regulations that could have a direct and material effect on the financial statements.

GPO's Fleet Card Program

Due to environmental concerns, GPO shut down its onsite gasoline pumps in February 2009. In October 2008, GPO began using the General Services Administration's (GSA) fleet card program to purchase fuel and other services at retail gas stations. The GSA program applies to GPO-owned, GPO-commercially leased and GSA-leased vehicles.

The objective of this assessment is to evaluate the effectiveness of controls over GPO's use of fleet purchase cards.

Audit of GPO's FY 2012 Consolidated Financial Statements

The OIG entered into a contract with an Independent Public Accounting firm to conduct the FY 2012 financial statement audit. The audit will express an opinion on GPO's financial statements and report on GPO's internal controls over financial reporting and compliance with applicable laws and regulations that could have a direct and material effect on the financial statements.

Volatility of GPO's the Federal Employees' Compensation Act (FECA) Estimated Liabilities

The U.S. Department of Labor (DOL) administers the FECA Program and makes all decisions regarding the eligibility of injured workers to receive workers' compensation benefits. DOL provides direct compensation to medical providers, claimants, and beneficiaries. The GPO reimburses DOL for all workers' compensation claims in addition to paying an administrative fee.

Future workers' compensation estimates are generated from the application of actuarial procedures developed by DOL to estimate the liability for FECA benefits. The liability for future workers' compensation benefits includes the expected liability for death, disability, medical costs for approved compensation cases, and a component related to injuries incurred but not reported. The liability is determined using historic benefit payment patterns related to a particular period to estimate the ultimate payments related to that period. Because the FECA liability estimate is developed by DOL and out of the control of GPO, there is a risk that a significant, unexpected increase in the estimate could have an unfavorable impact on GPO's financial management.

This assessment will determine whether opportunities exist to reduce the risk and potential impact of the volatility of GPO's workers' compensation liability estimate.

GPO's Safety Program

This assessment will provide GPO managers with an evaluation of GPO's safety program, including industrial safety and hygiene, to determine if it is sufficient to minimize and prevent injuries, mishaps, and close calls and ensure the welfare of GPO employees and other resources. This assessment will help GPO managers improve safety practices which would result in a reduction in accidents, workers' compensation claims, and missed time resulting from job-related injuries and illnesses.

GOAL 3

Strengthen GPO's print procurement programs that support other Government entities by providing quality and timely assessments.

Opportunities to Reduce Potential Costs Associated with Duplication in Government Printing

All printing, binding, and blank-book work for Congress, the Executive Office, the Judiciary, other than the Supreme Court of the United States, and every Executive Office, independent office and establishment of the Government, shall be done at the GPO, except for the: (1) classes of work the Joint Committee on Printing (JCP) considers to be urgent or necessary to have done elsewhere; (2) printing in field printing plants operated by an Executive Office, independent office or establishment; and (3) procurement of printing by an Executive Office, independent office or establishment from allotments for contract field printing, if approved by the JCP.

This assessment will (1) identify federal agencies, programs or functional areas where printing duplication, overlap, or fragmentation exists, the actions needed to address such conditions, and the potential financial impact of doing so; and (2) highlight opportunities for potential cost savings and/or enhanced revenues.

Use of Suspensions and Debarments in Contracted Printing Services

GPO's spending on contracted goods and services in excess of $500 million annually. To protect the government's interests, federal agencies are required to award contracts only to responsible sources—those that are determined to be reliable, dependable, and capable of performing required work. One way to protect the government's interests is through suspensions and debarments, which are actions taken to exclude firms or individuals from receiving contracts or assistance based on various types of misconduct. A suspension is a temporary exclusion pending the completion of an investigation or legal proceeding, while a debarment is for a fixed term that depends on the seriousness of the cause, but generally should not exceed three years. These exclusions are reported in the Excluded Parties List System maintained by the General Services Administration, along with violations of certain statutes and regulations.

Contractors may be debarred or suspended for a conviction of or civil judgment for such actions as fraud, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; or commission of any other offense indicting a lack of business integrity or business honesty. Contractors may also be debarred or suspended based on a debarment or suspension by another agency.

This assessment will help GPO managers strengthen program integrity by determining whether GPO debars or suspends contractors who are determined to be unreliable, undependable, or incapable of performing the required work in accordance with the GPO Instruction.

GOAL 4

Reduce improper payments and related vulnerabilities by helping GPO managers reduce payment errors, waste, fraud, and abuse in the major GPO programs and operations while continuing to ensure that programs serve and provide access to their intended parties.

CARRYOVER PROJECTS

Management Controls over Overtime Pay

This assessment is intended to assist GPO managers identify control weaknesses that may lead to unauthorized overtime pay.

Federal Digital System (FDsys) Contract Administration

This assessment will review contractor costs incurred to determine if they are allowable, reasonable, and justifiable.

NEW PROJECTS

Controls over Improper Payments

The Improper Payments Elimination and Recovery Act (IPERA), Public Law 111-204, was enacted on July 22, 2010, and the Office of Management and Budget (OMB) issued implementing guidance, OMB Memorandum M-11-16, on April 14, 2011. The OMB guidance requires Executive branch agencies to review annually improper payments and to evaluate efforts to prevent and reduce improper payments. While GPO is not subject to Public Law 111-204, GPO's internal control program requires its managers to continuously monitor and improve the effectiveness of management controls over their programs, functions, and activities.

OMB stated in the case of small Executive Branch Agencies, OMB recommends that the OIG consider submitting a short one-page letter to Congress, GAO, and OMB stating that they did not have anything to review under IPERA for compliance (thus still meeting the intent of the compliance reviews and reporting requirements of IPERA).

This assessment will determine whether GPO managers have assessed the risk of potential improper payments occurring in their programs, functions, and activities; identify the controls in place to mitigate the risk(s); and determine the effectiveness of those controls.

Controls over the Management of the Federal Employees Compensation Act

The FECA provides for medical benefits, income replacement, and certain supportive services to civilian employees of the federal government with work-related illnesses or injuries, or in the case of death, survivor benefits to family members. FECA cases include claims submitted to the DOL resulting from a traumatic injury, occupational disease, illness, or fatality. FECA is primarily administered by the DOL. However, each federal agency, including the GPO, has financial and management responsibilities for its own FECA cases.

This assessment will examine whether GPO has effective controls in place to manage its FECA program, to reduce opportunities for claimant fraud, and to return injured GPO employees back to work when appropriate.

Controls over GPO's Purchase Card Program

Since 1989, the General Services Administration (GSA) has administered the Federal government's SmartPay® Government Purchase Card Program. The Government Purchase Card Program was created as a way for agencies to streamline Federal acquisition processes by providing a low-cost, efficient vehicle for obtaining goods and services directly from vendors. Agencies may also use purchase cards to make payments under established contracts.

This assessment will determine if controls over GPO's practices will prevent or detect questionable, improper, and potentially fraudulent purchase card transactions.

GOAL 5

Increase the efficiency and effectiveness with which GPO managers exercise stewardship over official publications from all three branches of the Federal Government.

Development of FDsys

The stiffest budget cut in FY 2012 was to the GPO Revolving Fund, which was appropriated at only $500,000, a 70 percent reduction. This fund helps to finance the ongoing development of the FDsys, the online system that provides permanent digital access to authenticated federal government information.

This assessment of FDsys is intended to assist GPO managers to (1) identify risks associated with its current operational and development status, (2) meet required key system expectations, and (3) build the system in a cost-effective manner.

NEW PROJECTS

Assessment of the Federal Depository Library Program's Biennial Survey

The Federal Depository Library Program (FDLP) was established by Congress to ensure the American public has access to its Government's information. Since 1813, depository libraries have safeguarded the public's right to know by collecting, organizing, maintaining, preserving, and assisting users with

information from the Federal Government. The FDLP provides Government information at no cost to designated depository libraries throughout the country and territories. Anyone can visit Federal depository libraries and use the Federal depository collections which are filled with information on careers, business opportunities, consumer information, health and nutrition, legal and regulatory information, demographics, and numerous other subjects.

GPO is responsible for administering the Biennial Survey of Depository Libraries, required by 44 U.S.C. § 1909. This Biennial Survey provides GPO with important information concerning the conditions of both individual depository libraries and the Depository Library Program as a whole. This data is used to administer the program and to assist in the assessments of the conditions and services of depository libraries.

This assessment will review the degree to which depository libraries provide complete and accurate responses to the Biennial Survey of Depository Libraries and how effective GPO uses the data to administer the program.

GOAL 6

Strive for a highly qualified diverse workforce with the tools and training necessary to continuously enhance OIG's ability to fulfill its mission and communicate its accomplishments.

OIG seeks to create a work environment where all employees are valued, treated fairly, and given opportunities to develop to their full potential. Having a diverse, highly professional, motivated and multidisciplinary staff helps OIG fulfill its mission to support GPO and Congress and help improve the performance and accountability of government for the benefit of the American people.

The OIG will develop a process to ensure OIG's staff members collectively possess the core competencies needed to accomplish the OIG mission.

The OIG will develop a method for ensuring its staff members possess the requisite qualifications for recruiting, hiring, continuously developing, training, and evaluating their staff members, and succession planning to assist the organization in maintaining a workforce that has the ability to meet the OIG's mission.

Staff members must collectively possess the professional competence (i.e., teamwork, leadership, communication, technical knowledge, critical thinking skills, abilities, and experience) to perform the work assigned. In addition, staff must individually meet requirements for their respective job series and to satisfy applicable professional standards.

To ensure that the OIG staff members collectively possess the needed skills, the Inspector General and key managers will assess the skills of the staff members and determine the extent to which these skills match the OIG's requirements. OIG management is responsible for deciding the methods by which identified needs can be met by hiring contractors or outside consultants, using staff members who possess the requisite skills, developing staff members and providing training, or recruiting new staff. The OIG will ensure staff members meet the requirements for continuing professional education contained in the applicable professional standards.

INVESTIGATIVE PLAN

The OIG is responsible for conducting criminal, civil, and administrative investigations relating to violations of Federal laws, rules or regulations as they pertain to GPO programs, contracts, and operations, as well as allegations of criminal activity and serious misconduct on the part of GPO employees. Fraud investigations typically result from allegations or suspicions of wrong-doing involving GPO programs, operations or person-nel. 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.

The OIG investigates fraudulent activity in several areas, including the following:

The Federal Employees' Compensation Program: The OIG investigates those who intentionally fail to disclose reportable employment or income, falsify or report fraudulent medical information, or claim to be injured or disabled when in fact they are not. As necessary, these investigations also target healthcare providers (doc-tors, clinics, pharmacists, physical therapists, etc.) who fraudulently bill for services, as well as fraud associated with medical promotions or treatments and unauthor-ized payments or kickbacks made to employers, provid-ers or claimants.

Contract Fraud: As contract fraud is a form of theft that results in the loss of many government dollars, the OIG investigates schemes in which Federal contracts are being used for unjust enrichment, personal use, or other than their intended purpose.

The OIG may issue Management Implication Reports, which are issued to GPO executive directors when an investigation identifies a systemic weakness in a pro-gram or operation that may impact GPO business units.

The OIG participates in an Outreach Program to speak before a variety of GPO groups and training classes in an effort to help employees identify indicators of fraud that should be referred to the OIG.

The OIG maintains the OIG Hotline, a confidential channel for the receipt of complaints about violations of law, regulation, or fraud, waste, and abuse. Investiga-tions conducted by OIG criminal investigators are usu-ally the result of allegations received from the Hotline, OIG audits, GPO management or employees, OIG's of other agencies, Congress, and the public.

REPORT FRAUD, WASTE, AND ABUSE

Report violations of law, rules, or agency regulations, mismanagement, gross waste of funds, abuse of authority, danger to public health and safety related to GPO contracts, programs, and/or employees.

U.S. Government Printing Office
Office of Inspector General
P.O. Box 1790
Washington, DC 20013-1790
Email: gpoighotline@gpo.gov
Fax: 1-202-512-1030
Hotline 1-800-743-7574

GPO is the Federal Government's primary centralized resource for producing, procuring, cataloging, indexing, authenticating, disseminating, and preserving the official information products of the U.S. Government in digital and tangible forms. The agency is responsible for the production and distribution of information products for all three branches of the Federal Government, including U.S. passports for the Department of State as well as the official publications of Congress, the White House and other Federal agencies, and the courts.