OIG Recovery Act Plan Overview — FY 2011

OIG Name:	U.S. Department of Commerce, Office of Inspector General

OIG Broad Recovery Act Goals:	The overall goals of the Commerce OIG's oversight of the American Recovery and Reinvestment Act of 2009 (Recovery Act) is to help ensure that Recovery funds have been used and managed appropriately. To achieve this goal we have (1) executed a risk-based oversight approach to target OIG activities on higher risk programs and Department processes; (2) identified effective OIG program oversight activities to assess whether agencies meet Recovery Act objectives in the areas of (a) prompt and fair award processes; (b) accurate, timely, and transparent recipient funds reporting; (c) authorized use of funds with measures to prevent instances of fraud, waste, error, and abuse; (d) funded projects avoiding unnecessary delays and cost overruns; and (e) programs meeting specific goals and targets; (3) focus OIG activities on establishing adequate preventive measures while ensuring detection controls are in place; (4) investigate complaints in accordance with the IG Act and special whistleblower provisions outlined in the Recovery Act; and (5) implement clear, accurate, and timely reporting of OIG oversight activity results though progress reports and audit and evaluation reports provided to Department management, Congress, and the public. The OIG currently has 23 staff members dedicated to Recovery Act oversight.
OIG Broad Training and Outreach Recovery Act Goals:	The overall goals of the Commerce OIG's outreach activities include: (1) provide consultation to the Commerce Recovery Act Steering Committee and other working groups where the OIG staff serve as advisory members; (2) implement training programs and workshops across the Department to help strengthen: (a) fraud awareness and detection programs; (b) unique Recovery Act grant and contract processing procedures as required under provisions of the act; and (c) specialized expertise required in the oversight of certain technical programs (e.g., broadband, construction management); (3) facilitate open communications within the Department on Recovery Act activities so that OIG receives timely notice when the Department identifies unusual trends or off-track processes (allowing for more expedient problem-solving); and (4) provide proactive review of program operational procedures to assess and advise on the appropriate balance of preventive and detective controls.
OIG Recovery Act Risk Assessment Process:	OIG completed inherent risk assessments for each Commerce program by analyzing four areas: strategic program, operations, legal and compliance, and fraud risk. Inputs to our process included Recovery Act, Office of Management and Budget guidance, bureau risk assessment documentation, bureau spend and program plans, and information from OIG, external audit, and Department A-123 processes. These helped OIG determine high, medium, or low risk—by program and by risk category. The oversight plan generally gives higher-risk program areas greater focus, which may include outreach activities such as training programs and workshops, up-front pre-review of program materials, operational processing reviews, program activity monitoring, or scheduled audits. Lower-risk program areas generally receive a lesser focus, which could limit oversight to review of operational procedures, performance monitoring, and select verification of operational results.

OIG Recovery Act Funds:	$16 million
Expiration Date of OIG Recovery Act Funds:	$6 million expires in 2013; $10 million does not expire based on appropriation. Frank-Dodd Amendment may result in a 12/31/2012 expiration date for these funds.

OIG Recovery Act Funds Allocated to Contracts:	Yes
Purpose of Recovery Act Contracts:	Contractors have supplemented OIG staff and have provided specialized expertise for workshop training and performance measurement activities.
Types of Recovery Act Contracts Awarded to Date:	Workshop training and system database development

Link to OIG Recovery Act Work Plan:	http://www.oig.doc.gov/recovery/

OIG FY 2011 Recovery Act Work Plan

Agency	Program Area	Recovery Act Funds Associated w/Program Area	Type of Review	Entity Performing Review	Project Title	Background	Objective	Review Included on Prior Recovery Act Plan (Y/N)	Expected Quarter Work Begins	Expected Quarter(s) Reports Issued	Expected Number of Reports
Commerce	All Programs	$7.9 billion	Other	OIG Staff	Anti-Fraud, Grant, Contract Outreach	As part of the OIG outreach program, OIG staff will continue to provide overviews of Recovery Act requirements, fraud indicators, and best practices in grant and contract management to agency staff and select Recovery Act grant program applicants and recipients.	To help strengthen Department programs and facilitate open communications with management and staff regarding program controls and help prevent & detect fraud, waste, and abuse.	Yes	FY 2011 Q1	FY 2011 Q4	TBD
Commerce	All Programs	$7.9 billion	Administrative / Financial	OIG Staff	Review of Commerce Oversight of Recipient Reporting for ARRA Contracts and Grants	This project evaluates internal controls over data integrity and how the agency uses its systems to validate data elements that will be posted to Recovery.gov.	To assess the steps performed in reviewing and analyzing data received from FederalReporting.gov, review the policies and procedures in place to remediate systemic and chronic reporting problems, and determine how the agency deals with differences between Federalreporting.gov data and data from its own systems.	No	FY 2010 Q3	FY 2011 Q2	1
Commerce	EDA, NIST, NTIA, NOAA	$5 billion	Administrative / Financial	OIG Staff	Grant Fraud Prevention and Detections	OMB's recovery act guidance requires bureaus to mitigate the potential for grant fraud, waste, and abuse. This goal of this is to find out how Commerce has implemented this guidance.	To assess whether the bureaus completed a an internal control assessment of ARRA grant programs, a risk assessment that considered a risk of fraud, and if there was a process in place to accurately track and report improper payments	Yes	FY 2010 Q3	FY 2011 Q2	1
Commerce	Census Partnership - not subject to 1512 reporting requirements	$125 million	Performance	OIG Staff	Census Partnership Program	The partnership and data services program creates partnerships with national organization, state, local and tribal government with the goal of getting hard-to-count populations groups to fill out the 2010 census questionnaire.	To evaluate the relationship between the Census Partnership Program and Operations and the effectiveness of the newly created role of Partnership Assistants (an ARRA funded position)	No	FY 2010 Q1	FY 2011 Q1	1
Commerce	NTIA Broadband Technology Opportunities Program (BTOP)	$3.9 billion	Performance	OIG Staff	Broadband Program Post Award Operations	BTOP is a competitive grant program to provide funds to expand broadband across the U.S. It is a new program requiring NTIA to staff a program office, develop grant program rules, award a contract and interagencyagreements to obtain program support.	To assess the capabilities of the system that NTIA will use to monitor recipients, determine if NTIA is establishing post-award operations and processes, and evaluate steps NTIA is taking to implement a program office.	Yes	FY 2010 Q3	FY 2011 Q1	1
Commerce	NTIA Broadband Technology Opportunities Program (BTOP)	$3.9 billion	Performance	OIG Staff	Effectiveness of BTOP Award Monitoring	BTOP is implementing a plan that outlines the organizational structure of BTOP, key roles and responsibilities for staff, and the overall post-award monitoring process.	To assess the adequacy of the monitoring plans and determine how effectively management uses the results of the monitoring activities to strengthen the BTOP program.	No	FY 2011 Q1	FY 2011 Q3	1
Commerce	NIST	$180 million	Performance	OIG Staff	Review of NIST's Oversight of ARRA Construction Grants for the Building of New Scientific Research Facilities	The NIST construction grant program was a newly created program in 2008 with only one round of funding prior to ARRA awards.	To determine whether NIST has appropriate people, processes and systems in place to monitor construction progress, required matching share, draw-downs, and contractors adherence to laws and regulations such as the Buy American Act.	Yes	FY 2011 Q1	FY 2011 Q2	1
Commerce	NIST	$165 million	Performance	OIG Staff	NIST's Management of the ARRA Construction Contracts	NIST has 14 Recovery Act contracts classified as Commercial and Institutional Building Construction with the largest having an obligation amount of $65 million.	To assess whether the contracts were awarded competitively, with sufficient justification and authorization for non-competitive awards, whether proper contract vehicles were used and how effectively is NIST Monitoring the construction contracts.	Yes	FY 2011 Q1	FY 2011 Q3	1
Commerce	NTIA Broadband Technology Opportunities Program (BTOP)	$98 million	Performance	OIG Staff	Review of BTOP Contract Oversight over Booz Allen Hamilton	NTIA contracted with DOI's National Business Center to contract for program support and IT services in support of the BTOP program. DOI entered into a contract with Booz Allen Hamilton to provide a system to manage and monitor grant performance and oversight, and provide technical expertise during the grant-making process.	To determine whether NTIA is providing effective oversight on the contract and assess whether the services provided to NTIA were to the satisfaction of the federal government.	No	FY 2011 Q3	FY 2011 Q4	1
Commerce	Census, NIST, and NOAA	$1 - 2 billion	Administrative / Financial	OIG Staff	Recovery Act Contract Fraud Prevention and Detection	OMB's recovery act guidance requires bureaus to mitigate the potential for contract fraud. This goal of this audit is to find out how Commerce has implemented this guidance.	To Determine whether Census, NIST and NOAA contracting staff are alert to instances of contract fraud and whether the techniques developed to monitor fraud are adequate for detecting contract fraud.	No	FY 2011 Q3	FY 2011 Q4	1