



August 2020

TIME AND ATTENDANCE

Agencies Generally Compiled Data on Misconduct, and Reported Using Various Internal Controls for Monitoring

Accessible Version

GAO Highlights

Highlights of [GAO-20-640](#), a report to congressional requesters

Why GAO Did This Study

The federal government is the nation's biggest employer, with about 2.1 million non-postal civilian employees. Misconduct is generally considered an action by an employee that impedes the efficiency of the agency's service or mission. Fraud involves obtaining something of value through willful misrepresentation. In 2018, GAO reported that, on average, less than 1 percent of the federal workforce each year is formally disciplined for misconduct—of which time and attendance misconduct is a subcomponent. Misconduct can hinder an agency's efforts to achieve its mission, and fraud poses a significant risk to the integrity of federal programs and erodes public trust in government.

GAO was asked to review agencies' efforts to prevent and address time and attendance misconduct, including fraud. This report describes 1) what is known about the extent of time and attendance misconduct and potential fraud across the 24 CFO Act agencies, and 2) controls and technologies these agencies reported using to monitor employee time and attendance.

GAO collected misconduct data from the 24 CFO Act agencies and their IGs. GAO also collected information on fraud risk reporting but did not independently assess agencies' fraud risk. Using a semi-structured questionnaire, GAO obtained information on controls and technologies that agencies reported using to monitor time and attendance and any challenges associated with their use.

View [GAO-20-640](#). For more information, contact Chelsa Kenney Gurkin at 202-512-2964 or gurkinc@gao.gov, or Vijay A. D'Souza at 202-512-6240 or dsouzav@gao.gov.

August 2020

TIME AND ATTENDANCE

Agencies Generally Compiled Data On Misconduct, And Reported Using Various Internal Controls For Monitoring

What GAO Found

Agencies compiled a variety of data on time and attendance misconduct and fraud. Specifically, 22 of the 24 agencies covered by the Chief Financial Officers Act of 1990 (CFO Act) had some data on instances of time and attendance misconduct—including potential fraud—from fiscal years 2015 through 2019. However, because agencies tracked data differently, the data could not be aggregated across the 22 agencies (see table). The remaining two agencies reported that they did not compile misconduct data agency-wide but began using systems to collect this data in fiscal year 2020.

Scope of Agency Data on Time and Attendance Misconduct for Fiscal Years 2015–2019

Level of data compiled; number of years included	Number of agencies
Data compiled	22
Agency-wide data; all 5 years included	13
Agency-wide data; less than 5 years of data	5
Component-level data; all 5 years included	4
Data not compiled	2

Source: GAO analysis of agency data. | GAO-20-640

Most (19 of 24) agency Inspectors General (IG) reported that they substantiated five or fewer allegations of time and attendance misconduct or fraud over the 5-year period. In total, these IGs substantiated 100 allegations, ranging from zero substantiated allegations at six agencies to more than 10 at four agencies. IGs stated that they might not investigate allegations for several reasons, including resource constraints and limited financial impact. In addition, 20 of 24 agencies reported that they considered fraud risks in payroll or time and attendance, either through assessments of these functions, or as part of a broader agency risk management process, including their annual agency financial reports. Also, 14 of 15 agencies that reported a risk level determined that time and attendance fraud risk was low once they accounted for existing controls.

Agencies reported using various internal controls, including technologies, to monitor time and attendance, which can also prevent and detect misconduct. According to agencies and IGs, first-line supervisors have primary responsibility for monitoring employee time and attendance. Additional internal controls include policies, procedures, guidance, and training. Agencies also reported using controls built into their timekeeping system to provide reasonable assurance that time and attendance information is recorded completely and accurately. These controls include requiring supervisory approval of timecards, and using time and attendance system reports to review abnormal reporting. According to agencies and stakeholders GAO spoke with, technology for monitoring time and attendance can help prevent and detect fraud, but may not help when an employee is intent on circumventing controls. Technology alone, they said, cannot prevent fraud. Agencies and IGs also reported using a mix of other technologies to assess allegations of time and attendance misconduct, such as badge-in and -out data, video surveillance, network login information, and government-issued routers. However, agency and IG officials also stated that these technologies have limitations. For example, many of the technologies may not account for when an employee is in training or at an off-site meeting.

Contents

Background	4
Most CFO Act Agencies Compiled Time and Attendance Misconduct Data; Most of Their IGs Reported Few Substantiated Allegations, and Most of Them Reported that the Risk of Fraud Was Generally Low	9
CFO Act Agencies Reported Using Various Internal Controls, Including Technologies, to Monitor Time and Attendance	22
Agency Comments	29
<hr/>	
Appendix I: Objectives, Scope, and Methodology	33
Appendix II: Chief Financial Officers Act of 1990 (CFO Act) Agencies' Time and Attendance Misconduct Data	37
Appendix III: Comments from the Social Security Administration	58
Appendix IV: Comments from the U.S. Agency for International Development	60
Appendix V: GAO Contacts and Staff Acknowledgments	63
<hr/>	
Tables	
Table 1: Definitions and Examples of Misconduct and Fraud	4
Table 2: Scope of Data Compiled by CFO Act Agencies on Time and Attendance Misconduct for Fiscal Years 2015–2019	13
Table 3: Inspector General (IG) Reported Investigations into Employee Time and Attendance Fraud or Other Misconduct from Fiscal Years 2015–2019 across the 24 CFO Act Agencies Investigative outcomes	15
Table 4: CFO Act Agencies' Reported Examination of Fraud Risk in Payroll or Time and Attendance, as of Fiscal Year 2019	20
Table 5: Examples of Technologies Agencies Reported Using for Assessing Allegations of Time and Attendance Misconduct	28

Table 6: Department of the Interior Reported Instances of Misconduct Related to Time and Attendance	38
Table 7: Department of the Interior Reported Actions Taken for Misconduct Related to Time and Attendance, Fiscal Years 2015–2019	39
Table 8: Department of Labor Reported Instances of Misconduct Related to Time and Attendance	39
Table 9: Department of Labor Reported Actions Taken for Misconduct Related to Time and Attendance, Fiscal Years 2015–2019	39
Table 10: Department of Transportation Reported Instances of Misconduct Related to Time and Attendance	40
Table 11: Department of Transportation Reported Actions Taken for Misconduct Related to Time and Attendance, Fiscal Years 2015–2019	40
Table 12: Environmental Protection Agency Reported Instances of Misconduct Related to Time and Attendance	40
Table 13: Environmental Protection Agency Reported Actions Taken for Misconduct Related to Time and Attendance, Fiscal Years 2015–2019	41
Table 14: General Services Administration Reported Instances of Misconduct Related to Time and Attendance	41
Table 15: National Aeronautics and Space Administration Reported Instances of Misconduct Related to Time and Attendance	41
Table 16: National Aeronautics and Space Administration Reported Actions Taken for Misconduct Related to Time and Attendance, Fiscal Years 2015–2019	43
Table 17: Nuclear Regulatory Commission Reported Instances of Misconduct Related to Time and Attendance	43
Table 18: Small Business Administration Reported Instances of Misconduct Related to Time and Attendance	43
Table 19: Social Security Administration Reported Instances of Misconduct Related to Time and Attendance	44
Table 20: Department of Commerce Reported Instances of Misconduct Related to Time and Attendance Fraud	44
Table 21: Department of Commerce Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2015–2019	44
Table 22: Department of Education Reported Instances of Misconduct Related to Time and Attendance Fraud	45

Table 23: Department of Education Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2015–2019	46
Table 24: Department of Energy Reported Instances of Misconduct Related to Time and Attendance Fraud	46
Table 25: Department of Energy Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2018–2019	46
Table 26: Department of Housing and Urban Development Reported Instances of Misconduct Related to Time and Attendance Fraud	46
Table 27: Department of Housing and Urban Development Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2015–2019	47
Table 28: Department of State Reported Instances of Misconduct Related to Time and Attendance Fraud	47
Table 29: Department of State Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2015–2019	47
Table 30: National Science Foundation Reported Instances of Misconduct Related to Time and Attendance Fraud	48
Table 31: Office of Personnel Management Reported Instances of Misconduct Related to Time and Attendance Fraud	48
Table 32: Office of Personnel Management Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2018–2019	48
Table 33: U.S. Agency for International Development Reported Instances of Misconduct Related to Time and Attendance Fraud ⁴⁹	
Table 34: U.S. Agency for International Development Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2015–2019	49
Table 35: Department of Defense Reported Instances of Misconduct Related to Time and Attendance Fraud	50
Table 36: Department of Defense Reported Actions Taken for Misconduct Related to Time and Attendance, Fiscal Years 2015–2019	51
Table 37: Department Health and Human Services Reported Instances of Misconduct Related to Time and Attendance Fraud ⁵¹	
Table 38: Department of Homeland Security Reported Instances of Misconduct Related to Time and Attendance Fraud	52

Table 39: Department of Homeland Security Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2015–2019	53
Table 40: Department of Justice Reported Instances of Misconduct Related to Time and Attendance Fraud	53
Table 41: Department of Justice Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2015–2019	56
Table 42: Department of the Treasury Reported Instances of Misconduct Related to Time and Attendance Fraud	56
Table 43: Department of the Treasury Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2015–2019	57

Abbreviations

CFO Act	Chief Financial Officers Act of 1990
COVID-19	Coronavirus Disease 2019
DOD	Department of Defense
DOJ	Department of Justice
EPA	Environmental Protection Agency
HHS	Department of Health and Human Services
IG	Inspector General
OMB	Office of Management and Budget
OPM	Office of Personnel Management
SBA	Small Business Administration
USAID	U.S. Agency for International Development
USDA	U.S. Department of Agriculture
VA	Department of Veterans Affairs

This is a work of the U.S. government and is not subject to copyright protection in the United States. The published product may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.



August 31, 2020

Congressional Requesters

The federal government is the nation's biggest employer. The federal civilian workforce consists of about 2.1 million non-postal workers and represents an annual taxpayer investment of approximately \$350 billion. In 2018, we reported that an average of less than 1 percent of the federal civilian workforce each year is formally disciplined for misconduct, including time and attendance misconduct.¹ Misconduct can undermine an agency's efforts to achieve its mission, and fraud—a subcomponent of misconduct—poses a significant risk to the integrity of federal programs and erodes public trust in government.² Accordingly, federal managers maintain important responsibilities for addressing cases of employee misconduct and identifying and managing fraud risks, including misconduct and fraud risk pertaining to employees' time and attendance.

Inspectors General (IG) at several agencies have highlighted concerns about time and attendance misconduct. For example, in 2016, the Department of Commerce (Commerce) IG reported on the results of an investigation of potential time and attendance abuse at the Patent and Trademark Office, which raised questions about supervision and the agency's controls for time and attendance management.³ Agency IGs also have identified concerns related to suspected time and attendance fraud at the Environmental Protection Agency (EPA) and the Census

¹Formal discipline refers to the legal process under Chapter 75 of Title 5 of the United States Code. Misconduct is generally considered an action by an employee that impedes the efficiency of the agency's service or mission. See GAO, *Federal Employee Misconduct: Actions Needed to Ensure Agencies Have Tools to Effectively Address Misconduct*, [GAO-18-48](#) (Washington, D.C.: July 16, 2018).

²Fraud involves obtaining something of value through willful misrepresentation. Whether an act is in fact fraud is a determination to be made through the judicial or other adjudicative system. GAO, *Standards for Internal Control in the Federal Government*, [GAO-14-704G](#) (Washington, D.C.: Sept. 10, 2014). We use the term "fraud" generally in this report to include potential fraud for which a determination has not been made through the judicial or other adjudicative system.

³U.S. Department of Commerce Office of Inspector General, *U.S. Patent and Trademark Office, Analysis of Patent Examiners' Time and Attendance*, 14-0990 (Washington, D.C.: August 2016).

Bureau's Census Hiring and Employment Check Office, among other agencies.

You asked us to review agencies' management of time and attendance to prevent and address time and attendance misconduct, including fraud. In this report, we describe (1) what is known about the extent of time and attendance misconduct and potential fraud across the 24 agencies covered by the Chief Financial Officers Act of 1990 (CFO Act), and (2) what controls and technologies these agencies reported using to monitor employee time and attendance.⁴

To determine what is known about the extent of time and attendance misconduct and potential fraud, we collected data on the number of recorded instances of employee time and attendance misconduct, including fraud, from the 24 CFO Act agencies and their IGs for fiscal years 2015 through 2019, the most recent 5-year period. We requested information from knowledgeable agency officials and checked the agency data for missing data, outliers, or obvious errors. We determined that the agency misconduct data were sufficiently reliable for reporting on whether agencies collected data on time and attendance misconduct, and for presenting the misconduct data reported by each agency. We requested information from knowledgeable IG officials and checked the data for missing data, outliers, or obvious errors. We determined that the IG data were sufficiently reliable for reporting on how many investigations each IG conducted and the outcome of those investigations, as well as for compiling data on the total number of investigations all 24 IGs conducted and the overall outcomes of those investigations. We also reviewed agencies' fiscal year 2019 Agency Financial Reports and other documentation to determine the extent to which agencies considered the risk of payroll fraud, generally, or time and attendance fraud, specifically.⁵

⁴The 24 agencies listed in the CFO Act are the Departments of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Homeland Security, Housing and Urban Development, the Interior, Justice, Labor, State, Transportation, the Treasury, and Veterans Affairs; the Environmental Protection Agency, General Services Administration, National Aeronautics and Space Administration, National Science Foundation, U.S. Nuclear Regulatory Commission, Office of Personnel Management, Small Business Administration, Social Security Administration, and U.S. Agency for International Development. 31 U.S.C. § 901(b).

⁵Time and attendance is one component of an agency's payroll function. We did not independently assess the quality of agencies' fraud risk assessments.

To determine what controls and technologies these agencies reported using to monitor employees' time and attendance, we used a semi-structured list of questions to request information from each of the CFO Act agencies on (1) their processes for monitoring time and attendance; (2) controls and technologies used by the agencies for monitoring time and attendance; (3) the extent to which, and under what circumstances, the agencies use these controls and technologies to prevent, detect, and assess allegations of misconduct; and (4) any challenges associated with the agencies' use of these controls and technologies. We obtained and analyzed examples agencies provided on the controls and technologies they used to monitor time and attendance and prevent and detect misconduct for fiscal years 2015 through 2019. We collected information from the CFO Act agencies in February and March 2020. Data collection largely preceded any contingency operations activated in response to Coronavirus Disease 2019 (COVID-19) and therefore reflects normal agency operations. (See app. I for more information about our objectives, scope, and methodology.)

For both objectives, we interviewed representatives of the Merit Systems Protection Board, the Federal Managers Association, the Society for Human Resource Management, the National Finance Center, and two unions that represent a large number of federal employees to gain a variety of perspectives on time and attendance management.⁶ We also interviewed officials or obtained written responses from each of the 24 CFO Act agencies and their IGs.

We conducted this performance audit from October 2019 to August 2020 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

⁶We met with the National Treasury Employees Union and the American Federation of Government Employees, the two largest unions that represent federal employees.

Background

Definitions of Misconduct and Fraud

The term “employee misconduct” does not have a general definition in statute or government-wide regulation.⁷ However, according to the Office of Personnel Management (OPM), there is a large body of decisional law by the Merit Systems Protection Board addressing discipline for employee misconduct in the federal government that contains definitions of various forms of misconduct, such as “insubordination,” “excessive absence,” and “misuse of government property.” Time and attendance misconduct can include a range of allegations, some of which may relate to potential fraud (see table 1).⁸ Agencies may elaborate on types of misconduct in handbooks and other internal guidance. Activities that may be considered misconduct can vary from agency to agency.⁹ According to OPM officials, the lack of a government-wide definition of what constitutes misconduct gives agencies flexibility in the manner in which they address misconduct.

Table 1: Definitions and Examples of Misconduct and Fraud

Term	Definition	Example
Misconduct	Misconduct is generally considered an action by an employee that impedes the efficiency of the agency's service or mission.	Arriving late consistently might be considered time and attendance misconduct.

⁷[GAO-18-48](#).

⁸Time and attendance misconduct may include waste or abuse. Waste is the act of using or expending resources carelessly, extravagantly, or to no purpose. Abuse is behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary operational practice given the facts and circumstances. Waste and abuse do not necessarily involve fraud or other illegal acts. Abuse also includes misuse of authority or position for personal gain or for the benefit of another. [GAO-14-704G](#).

⁹[GAO-18-48](#).

Appendix I: Objectives, Scope, and Methodology

Fraud	Fraud involves obtaining something of value through willful misrepresentation, including willful misrepresentation to avoid negative outcomes. Fraud is a type of employee misconduct. Whether an act is in fact fraud is a determination to be made through the judicial or other adjudicative system.	An employee's claiming overtime pay for hours the employee did not work might be an example of time and attendance-related fraud.
-------	---	---

Source: GAO analysis of prior GAO and agency Inspector General reports, and agency information. | GAO-20-640

Note: The definitions provided are as a general matter and for purposes of this report. The examples provided are intended to be illustrative in nature.

Agency and IG Roles in Managing Time and Attendance Misconduct and Fraud Risk

Agencies and their IGs both play a key role in preventing, detecting, and investigating misconduct and fraud. Each agency can create its own policies, procedures, training, and guidance to properly monitor, prevent, detect, and assess allegations of time and attendance misconduct, including potential fraud. According to OPM, supervisors have a responsibility to set clear rules and expectations for employees in the workplace.

Agency management takes primary responsibility for monitoring time and attendance to prevent or detect misconduct, including potential fraud. Management may identify suspected misconduct by observing or receiving a report about an employee's performance or by analyzing payroll or time and attendance data. When managers identify suspected misconduct, they typically address the matter at the supervisory level first. Managers may take informal or undocumented corrective measures, such as counseling. For significant concerns or if misconduct continues, supervisors may coordinate with the human capital office to take formal disciplinary action. If the agency suspects fraud, it may also refer the allegation to the IG.

The IG for each agency may also investigate allegations of time and attendance misconduct or potential fraud. The IG can receive time and attendance allegations from (1) an anonymous or signed allegation of employee time and attendance misconduct from an internal hotline or Fraud Net or (2) a referral from agency management about potential

fraud.¹⁰ According to IG officials, once an allegation is received, the IG's office decides whether to open an investigation. If the IG's office opens an investigation, it gathers facts regarding the alleged misconduct to determine if misconduct or fraud actually occurred. According to IG officials, if an investigation substantiates allegations of misconduct, the IG refers the matter to the agency for action. Additionally, if an IG has reasonable grounds to believe there has been a violation of federal criminal law, the IG must refer the case to the Attorney General of the Department of Justice (DOJ), where it will be considered for potential criminal prosecution.¹¹

In addition to preventing and assessing allegations of misconduct, agency management should also identify and develop plans to mitigate fraud risks, according to *A Framework for Managing Fraud Risks in Federal Programs*.¹² This framework states that assessing fraud risks is an important component of fraud risk management. To effectively manage fraud risk, the framework also states that agencies should perform regular fraud risk assessments to determine their fraud risk profile.¹³ Office of Management and Budget (OMB) Circular A-123 requires agencies to integrate risk management and internal control functions by assessing fraud risk.¹⁴ Additionally, the Payment Integrity Information Act of 2019 requires agencies to report on their efforts to identify risks and

¹⁰Fraud Net is a hotline maintained by GAO to support accountability across the federal government. Fraud Net reviews allegations of fraud, waste, and abuse and refers them to federal, state, or local agencies or departments, as appropriate.

¹¹5 U.S.C. App. § 4(d).

¹²GAO, *A Framework for Managing Fraud Risks in Federal Programs*, [GAO-15-593SP](#) (Washington, D.C.: July 28, 2015). Managers of federal programs maintain the primary responsibility for enhancing program integrity and managing fraud risks. This framework provides a comprehensive set of leading practices that serve as a guide for agency managers in developing or enhancing efforts to combat fraud in a strategic, risk-based manner.

¹³[GAO-15-593SP](#).

¹⁴Office of Management and Budget, *Management's Responsibility for Enterprise Risk Management and Internal Control*, Circular No. A-123 (Washington, D.C.: July 15, 2016). In its Circular A-123 guidelines, OMB has also directed agencies to adhere to the Fraud Risk Framework's leading practices as part of their efforts to effectively design, implement, and operate an internal control system that addresses fraud risks.

vulnerabilities to fraud, including with respect to payroll.¹⁵ Also, *Standards for Internal Control in the Federal Government* provides criteria for developing and maintaining internal control over federal agency operations, including time and attendance reporting. These standards state that agencies should consider the potential for fraud when identifying, analyzing, and responding to risks.¹⁶

Related Prior GAO and IG Work

We have previously reported on time and attendance management, as well as agencies' efforts to address misconduct. In 2003, we issued guidance on agencies' time and attendance management, which focused on ensuring that agencies' internal controls over timekeeping systems were guided by *Standards for Internal Control in the Federal Government*.¹⁷ Specifically, we outlined several key controls that agencies should have in place to track, monitor, and verify employee time and attendance. For example, agencies should apply available technology to achieve efficient and effective timekeeping systems. Additionally, agencies should have clearly written and communicated policies and procedures for employees, timekeepers, and supervisors regarding recording, examining, approving, and reporting on time and attendance information.

We also have reported on several agencies' internal controls for managing misconduct. For example, in July 2018, we found gaps in the Department of Veterans Affairs' (VA) management of employee misconduct, including time and attendance misconduct.¹⁸ In February

¹⁵Payment Integrity Information Act of 2019, Pub. L. No. 116-117 (March 2, 2020).

¹⁶[GAO-14-704G](#).

¹⁷GAO, *Maintaining Effective Control over Time and Attendance Reporting*, [GAO-03-352G](#) (Washington, D.C.: January 2003).

¹⁸GAO, *Department of Veterans Affairs: Actions Needed to Address Employee Misconduct Process and Ensure Accountability*, [GAO-18-137](#) (Washington, D.C.: July 19, 2018). We recommended that VA develop and implement guidance to collect complete and reliable misconduct data. VA agreed with this recommendation. According to VA officials, in October 2019, VA deployed an enterprise-wide case management solution. Additionally, VA officials stated that, beginning in fiscal year 2020, VA human resources offices are required to use the system to process and track corrective actions.

2020, we found that two components of DOJ—the U.S. Marshals Service and the Bureau of Alcohol, Tobacco, Firearms, and Explosives—had developed internal controls for managing their employee misconduct investigation and disciplinary processes but had not consistently documented or monitored key control activities.¹⁹

Agency IGs also have reported on several time and attendance misconduct, fraud, and abuse cases. In September 2015, the Commerce IG reported the results of an investigation that identified a systemic pattern of time and attendance abuse at the Census Bureau’s Census Hiring and Employment Check Office from 2010 to 2014, costing taxpayers an estimated \$1.1 million.²⁰ Additionally, the August 2016 Commerce IG investigation into the Patent and Trademark Office provided an overview of potential time and attendance abuse within the patent examiner ranks and made several recommendations to assist the agency’s management in preventing and detecting further abuse. During a 15-month period in 2014 and 2015, the IG found unsupported hours that equated to about \$18.3 million in potential waste of wages and benefits that included both teleworking and on-site employees.²¹ The Commerce Deputy Inspector General at the time testified that the investigation identified pockets of substantial abuse, but that most patent examiners had few unsupported hours and the investigation did not uncover widespread abuse.

¹⁹GAO, *Department of Justice: ATF and U.S. Marshals Service Can Further Strengthen Controls over Employee Misconduct Processes*, GAO-20-200 (Washington, D.C.: Feb. 19, 2020). We recommended that both components develop policies for verifying the accuracy and completeness of information in employee misconduct systems. DOJ concurred with these recommendations.

²⁰U.S. Department of Commerce Office of Inspector General, *U.S. Census Bureau, Allegations of Time and Attendance Fraud and Other Misconduct by Employees in the Census Hiring and Employment Office*, 14-0790 (Washington, D.C.: Sept. 14, 2015).

²¹U.S. Department of Commerce Office of Inspector General, *U.S. Patent and Trademark Office, Analysis of Patent Examiners’ Time and Attendance*, 14-0990 (Washington, D.C.: August 2016). The IG’s office noted that it did not conduct a criminal investigation (or refer individuals to the Department of Justice for further investigation) and did not recommend that the Patent and Trademark Office pursue administrative action against any of the individual examiners analyzed in its review. Since the issuance of the Commerce IG report, the Patent and Trademark Office has taken a number of actions to address potential time and attendance abuse.

IGs have also reported on cases of time and attendance fraud and abuse by individual employees. In 2013, for example, the EPA IG reported that a former senior policy adviser at the EPA Office of Air and Radiation committed time and attendance abuses that eventually led to a criminal prosecution. In 2016, the EPA IG identified time and attendance as a key management challenge, and the IG has issued several reports on the agency's controls for various aspects of time and attendance.²²

Most CFO Act Agencies Compiled Time and Attendance Misconduct Data; Most of Their IGs Reported Few Substantiated Allegations, and Most of Them Reported that the Risk of Fraud Was Generally Low

Agencies in our review compiled a variety of information on time and attendance misconduct, including potential fraud. Specifically, 22 of the 24 CFO Act agencies compiled data related to time and attendance misconduct; the two other agencies reported that they did not compile such data agency-wide. However, agencies used different parameters to compile the data, and therefore the data cannot be aggregated across the 24 CFO Act agencies. Additionally, most agencies' IGs reported five or fewer total substantiated allegations of time and attendance fraud from fiscal years 2015 through 2019. Finally, 20 of the 24 agencies reported that they had considered the risks of payroll or time and attendance fraud. Fourteen of 15 agencies that reported a risk level determined that the risk of fraud was generally low.

²²U.S. Environmental Protection Agency Office of Inspector General, *FY 2016 EPA Management Challenges*, 16-N-0202 (Washington, D.C.: June 16, 2016).

Most Agencies in Our Review Compiled Data on Time and Attendance Misconduct, but Track Misconduct Differently for a Variety of Reasons

Most agencies we reviewed had data that would allow them to monitor misconduct related to time and attendance.²³ Specifically, 22 of the 24 CFO Act agencies compiled some data on time and attendance misconduct. As we have previously reported, agencies can use misconduct data to target management training and identify specific trends in misconduct.²⁴ Agencies may also track misconduct data differently. OPM officials said there is no government-wide requirement for agencies to track data on specific types of misconduct, such as time and attendance misconduct. Additionally, in 2018, we reported that chief human capital officers at several agencies, as well as subject matter experts, said it is helpful for agencies to have flexibility in how they track misconduct.²⁵ The 22 agencies in our review that compiled time and attendance misconduct data tracked data differently. Since the agencies' data varied in terms of the categories of data compiled, completeness across the entire agency, and the years of data available, the data could not be aggregated. Data for each of the 22 agencies that compiled data are presented in appendix II.

Agencies tracked time and attendance-related misconduct differently. Some agencies tracked data in a way that allowed them to specify the number of cases related to potential fraud, while other agencies tracked data in a way that allowed them to identify only the total number of misconduct cases related to time and attendance. Specifically:

- Eight agencies compiled data specifically on a subset of time and attendance misconduct focused on potential fraud. These eight agencies each used different approaches to identify cases of potential time and attendance fraud. Most of these agencies stated that they selected cases in which employees falsified records or inaccurately claimed time for which they did not work. For example, the

²³Because some agencies stated that they do not track potential fraud separately from other time and attendance misconduct, we primarily use the term “misconduct” to discuss the data that agencies collect, unless agencies provided data on potential fraud.

²⁴[GAO-18-48](#).

²⁵[GAO-18-48](#).

Department of State (State) included instances in which an employee obtained sick leave under false pretenses or otherwise claimed time for which the employee did not work.

- Nine other agencies compiled data on the total number of time and attendance misconduct cases. For example, the Department of Transportation reported data on cases of tardiness, excessive absences, absence without leave, failure to follow time and attendance policy, and failure to accurately report time and attendance. These nine agencies stated that the data compiled include a larger number of categories and cases of misconduct than those that might strictly indicate potential fraud.
- Five agencies compiled a mix of data, with some components compiling all time and attendance-related misconduct and others compiling a subset of time and attendance misconduct that related to potential fraud. For example, the Department of the Treasury (Treasury) compiled separate data for five of its components. Two Treasury components compiled data on all time and attendance misconduct, and three components compiled data on only those time and attendance misconduct cases that related to potential fraud. Within DOJ and the Department of Defense (DOD), some components compiled data while others did not. Most large agencies stated that they manage time and attendance at the component level and, therefore, do not typically compile agency-wide data on time and attendance-related misconduct.

However, five of the 22 agencies that compiled data did so for only a portion of the 5-year period we examined.

Two agencies—VA and the Department of Agriculture (USDA)—did not compile time and attendance misconduct data agency-wide in fiscal years 2015 through 2019. VA officials said that they compiled data on the total number of misconduct cases agency-wide, but could not determine the number of cases related to time and attendance because they did not track data on the nature of the offense. Officials said that VA deployed an enterprise-wide case management system in October 2019 and that its human resources offices were required to use the system to process and track corrective actions beginning in fiscal year 2020. USDA officials said that each component maintains its own information and that, beginning in fiscal year 2020, the majority of USDA components began using a centralized system.

**Appendix I: Objectives, Scope, and
Methodology**

Table 2 summarizes the scope of time and attendance misconduct data compiled by each agency.

Appendix I: Objectives, Scope, and Methodology

Table 2: Scope of Data Compiled by CFO Act Agencies on Time and Attendance Misconduct for Fiscal Years 2015–2019

Agency	Type of time and attendance misconduct data^a	Level of data	Fiscal years included (of 2015–2019)
Department of Agriculture	data not available	data not available	data not available
Department of Commerce	Specific to potential fraud	Agency-wide	2015–2019
Department of Defense	Varied by component	Component-level	2015–2019
Department of Education	Specific to potential fraud	Agency-wide	2015–2019
Department of Energy	Specific to potential fraud	Agency-wide	2018–2019
Department of Health and Human Services	Varied by component	Component-level	2015–2019 ^b
Department of Homeland Security	Varied by component	Agency-wide	2015–2019
Department of Housing and Urban Development	Specific to potential fraud	Agency-wide	2015–2019
Department of the Interior	All misconduct	Agency-wide	2018–2019
Department of Justice	Varied by component	Component-level	2015–2019
Department of Labor	All misconduct	Agency-wide	2015–2019
Department of State	Specific to potential fraud	Agency-wide	2015–2019
Department of Transportation	All misconduct	Agency-wide	2015–2019
Department of the Treasury	Varied by component	Component-level	2015–2019 ^c
Department of Veterans Affairs	data not available	data not available	data not available
Environmental Protection Agency	All misconduct	Agency-wide	2016–2019
General Services Administration	All misconduct	Agency-wide	2015–2019
National Aeronautics and Space Administration	All misconduct	Agency-wide	2015–2019
National Science Foundation	Specific to potential fraud	Agency-wide	2017–2019
Nuclear Regulatory Commission	All misconduct	Agency-wide	2015–2019
Office of Personnel Management	Specific to potential fraud	Agency-wide	2018–2019
Small Business Administration	All misconduct	Agency-wide	2015–2019
Social Security Administration	All misconduct	Agency-wide	2015–2019
U.S. Agency for International Development	Specific to potential fraud	Agency-wide	2015–2019

Legend: CFO Act = Chief Financial Officers Act of 1990;

Source: GAO analysis of agency data. | GAO-20-640

^a“Type of time and attendance misconduct data” refers to the categories of data agencies compiled. “All misconduct” means the agency compiled all time and attendance misconduct data. “Specific to potential fraud” means agencies compiled a subset of time and attendance misconduct data more narrowly related to potential fraud. “Varied by component” means some components compiled all time and attendance misconduct data, while others compiled time and attendance misconduct data specific to potential fraud.

^bOne Department of Health and Human Services component, the Centers for Disease Control and Prevention, did not compile data for fiscal years 2015–2018.

^cOne Department of the Treasury component, the U.S. Mint, did not compile data for fiscal years 2015–2016.

There are a number of reasons why agencies track misconduct data differently. Agencies have different needs and priorities, and the types of misconduct that are of concern may vary by agency or by job type. For example, according to a stakeholder and agency officials, tardiness may be a bigger concern for employees in a customer service role who must be available at specific times than for employees in an office setting who may be able to make up missed time at the end of the day. Agency officials also said that components within an agency may have different needs and requirements. For example, Department of Health and Human Services (HHS) officials said that the Centers for Disease Control and Prevention has unique timekeeping challenges because it has legal authority to use types of leave, such as quarantine leave, that other components may not have.

Sixteen agencies also compiled data on disciplinary actions taken for time and attendance misconduct. These agencies most commonly reported using reprimands, suspensions, and removal for time and attendance-related cases. Appendix II includes data on the actions each agency reported taking for reported instances of time and attendance misconduct. However, agency officials also said that supervisors may pursue corrective measures before misconduct rises to a level that requires formal disciplinary action. According to agency officials, these less formal measures may not be included in the misconduct data that agencies reported, nor are they included in the reported actions taken. For example, according to Department of the Interior (Interior) officials, supervisors or managers may take steps to address potential time and attendance issues at the operational level without pursuing formal disciplinary action. These corrective measures could include a change in telework status or more restricted work schedules.

Most IGs in Our Review Reported Few Substantiated Cases of Employee Time and Attendance Fraud over 5 Years

Most of the 24 CFO Act agencies' IGs reported few substantiated cases of employee time and attendance fraud or other misconduct resulting from investigations they conducted. Specifically, 19 of the 24 IGs reported five or fewer total substantiated allegations from fiscal years 2015 through 2019. The other five IGs reported six or more substantiated allegations, including one IG whose office substantiated 20 allegations over the 5-year period.

Appendix I: Objectives, Scope, and Methodology

Collectively, the 24 IGs reported that they initiated a total of 327 investigations of suspected employee time and attendance fraud or other misconduct from fiscal years 2015 through 2019.²⁶ The IGs prioritized these cases differently depending on the agency, resulting in varying numbers of investigations conducted. Most IGs reported that they conducted 10 or fewer investigations related to employee time and attendance over the five-year period we reviewed. In total, IGs reported that the allegations were substantiated for 100 of the 327 investigations (31 percent) and unsubstantiated or closed for 183 investigations (56 percent). The remaining investigations were ongoing as of the end of fiscal year 2019 (see table 3).

Table 3: Inspector General (IG) Reported Investigations into Employee Time and Attendance Fraud or Other Misconduct from Fiscal Years 2015–2019 across the 24 CFO Act Agencies
Investigative outcomes

Agency	Total investigations initiated	Ongoing ^a	Unsubstantiated or closed ^b	Substantiated
Department of Agriculture	3	1	0	2
Department of Commerce	24	3	10	11
Department of Defense	6	5	0	1
Department of Education	5	2	1	2
Department of Energy	4	1	2	1
Department of Health and Human Services ^c	0	0	0	0
Department of Homeland Security ^d	0	0	0	0
Department of Housing and Urban Development	34	2	16	16
Department of the Interior ^e	0	0	0	0
Department of Justice	69	0	49	20
Department of Labor	12	1	11	0
Department of State	8	3	1	4
Department of Transportation	5	0	0	5
Department of the Treasury	18	5	4	9

²⁶IGs may receive allegations of time and attendance fraud or other misconduct from a number of sources and may conduct investigations separate from agency human capital offices. IG office officials said that if their investigation substantiates an allegation, they refer the case to the agency for action. If an IG has reasonable grounds to believe there has been a violation of federal criminal law, the IG must refer the case to the Attorney General of the DOJ, where it will be considered for potential criminal prosecution. Therefore, the misconduct data that agencies provided on cases that resulted in agency action may also include cases investigated and substantiated by the IG.

Appendix I: Objectives, Scope, and Methodology

Department of Veterans Affairs	2	0	1	1
Environmental Protection Agency	44	8	22	14
General Services Administration	4	0	2	2
National Aeronautics and Space Administration	46	3	38	5
National Science Foundation	2	0	2	0
Nuclear Regulatory Commission	9	0	5	4
Office of Personnel Management	1	0	1	0
Small Business Administration ^f	0	0	0	0
Social Security Administration	2	1	0	1
U.S. Agency for International Development	29	9	18	2
Total	327	44	183	100

Legend: CFO Act = Chief Financial Officers Act of 1990

Source: GAO analysis of IG data. | GAO-20-640

^aThese investigations were ongoing as of September 30, 2019.

^bSome of these investigations were not completed by the IG's office and were referred to agency management for investigation. The outcomes of agency investigations are not always reported back to the IG. We considered these investigations closed for the purposes of our analysis.

^cThe Department of Health and Human Services IG's office reported that it does not conduct such investigations. Officials said misconduct allegations concerning time and attendance are considered administrative in nature, and are handled directly by agency management personnel.

^dThe Department of Homeland Security IG's office reported that it has performed audits related to the agency's management of time and attendance, but it has not conducted investigations of individual allegations of time and attendance-related misconduct.

^eThe Department of the Interior IG's office reported that it investigated no time and attendance allegations and that most allegations were referred back to agency management to be addressed.

^fThe Small Business Administration IG's office reported that time and attendance allegations brought to the office were better addressed by agency management because the allegations typically did not rise to the level requiring an IG investigation.

Officials for several IGs said they do not investigate all allegations that they receive related to potential time and attendance fraud. Several officials said they prioritized cases that involve more egregious allegations or have greater financial implications for the agency.²⁷ For example, the U.S. Agency for International Development (USAID) IG's

²⁷In 2018, the Council of the Inspectors General on Integrity and Efficiency reported on the top management challenges facing federal agencies based on reports from a number of IGs. Time and attendance fraud was not listed as one of the top human capital challenges faced by agencies. Specifically, human capital challenges impacted by both human and budgetary resources focused on funding and staffing and recruiting, training, and retaining qualified staff. See *Top Management and Performance Challenges Facing Multiple Federal Agencies*, prepared by the Council of the Inspectors General on Integrity and Efficiency, April 2018.

office stated that it prioritized allegations that present the greatest potential to cause financial or reputational harm to the agency.²⁸ The VA IG's office stated that it prioritized investigations that have a broad impact on agency operations and are significant in terms of high-dollar recovery. The National Science Foundation IG's office stated that it did not generally investigate potential time and attendance fraud unless it related to other criminal or civil allegations. Additionally, the IG's website reports that it prioritizes other types of administrative investigations, such as falsification, fabrication, or plagiarism of research. Additionally, several IG offices indicated that time and attendance cases are often administrative in nature and are declined for prosecution. For example, the USDA IG's office stated that time and attendance allegations are primarily administrative and handled by the agency.

IG officials said there are a number of other reasons why they might not investigate a time and attendance allegation, including limited impact, resource constraints, and data limitations. For example, the Small Business Administration (SBA) IG's office reported that it conducted no investigations because the allegations it received typically indicated low-impact misconduct that would be better addressed by SBA management and, therefore, they were referred back to SBA management. Additionally, the Department of Education IG's office stated that it focuses its efforts on those matters having the greatest impact on the department. Several IG offices stated that they did not investigate all allegations of time and attendance fraud that they received because these investigations are resource-intensive and data limitations make it difficult to investigate and substantiate allegations. For example, the Social Security Administration IG's office stated that the lack of witnesses, records, or other evidence may make it difficult to substantiate allegations. IG officials said that if they do not investigate an allegation, they refer it to agency management. According to IG officials, agency management typically reviews the allegation and determines whether disciplinary action is warranted.

²⁸The USAID IG also conducts oversight of a number of independent agencies.

Most Agencies in Our Review Reported They Considered the Risk of Payroll or Time and Attendance Fraud to Be Generally Low

Most (20 of 24) agencies reported considering the risk of payroll or time and attendance fraud as part of their assessment of risks as of fiscal year 2019. Most of these agencies reported that they determined the risk to be generally low. Four of the 24 agencies—HHS, Interior, National Science Foundation, and OPM—reported that they did not consider payroll or time and attendance fraud risk.²⁹

Agencies reported that they considered fraud risks either through an assessment specifically focused on payroll or time and attendance functions or as part of the agency's broader risk management process. Specifically:

- Ten agencies stated that they conducted an assessment specifically for payroll or time and attendance fraud. For example, the Department of Education completed an assessment of the risk of time and attendance fraud that included several risk factors with specified criteria, and assessed the likelihood or probability of occurrence and the impact. All factors were rated unlikely with a low impact. The agency determined that the risk factor for fraud was low because existing controls include multiple levels of review and approval. The timekeeping system has warnings that prevent employees from adding time without obtaining proper approval.

²⁹These four agencies reported assessing fraud risks generally. For example, Interior reported that it assessed fraud generally for all agency programs, but that payroll fraud was not specifically considered in its assessment. In 2018, we reported that half (12 of 24) of the CFO Act agencies had not reported on their progress in identifying payroll fraud risks in their fiscal year 2017 Agency Financial Reports. We reported that the variation in reporting on progress in identifying specific risks could partly be due to some agencies' uncertainty about what information must be reported. We recommended that OMB enhance its reporting guidelines by directing agencies to report on each of the reporting elements specified by the Fraud Reduction and Data Analytics Act of 2015, including information related to payroll fraud. OMB has not taken action to address this recommendation. GAO, *Fraud Risk Management: OMB Should Improve Guidelines and Working-Group Efforts to Support Agencies' Implementation of the Fraud Reduction and Data Analytics Act*, [GAO-19-34](#) (Washington, D.C.: Dec. 4, 2018).

- Ten other agencies reported that they considered payroll fraud risk as part of their enterprise risk management process.³⁰ For example, Commerce reported that it assesses its internal control over the effectiveness and efficiency of operations and compliance with applicable laws and regulations annually, in accordance with OMB Circular A-123. As part of this assessment, Commerce stated that it considers the potential for fraud when identifying, analyzing, and responding to risks, and that the payroll cycle is reviewed as part of this process. Commerce also stated that it considered the risk of payroll fraud to be low.

Most of the agencies that considered the risk of payroll or time and attendance fraud also reported that they identified the risk of fraud to be generally low and considered existing controls to be sufficient for managing risks. Specifically, 14 of the 20 agencies that considered fraud risk stated that they considered the risk of payroll fraud, generally, or time and attendance fraud, specifically, to be low (see table 4). For example, in fiscal year 2019, DOJ determined that the risk of fraudulent manipulation of hours worked in which employees willfully mischarge, manipulate, or overstate hours for financial gain, potentially including collusion with their approver, was low. In addition, the agency found that the risk was moderately over-controlled, meaning the risk level was lower than the activities and controls applied to manage it.³¹ Agencies in our review also generally reported that they considered existing controls to be sufficient to manage risks. For example, in its fiscal year 2019 assessment of fraud risks, the Social Security Administration considered that the inherent risk of an employee intentionally recording false time and attendance for personal gain was high. However, after evaluating existing controls, such as requiring approval by a supervisor, the agency concluded that the residual risk was very low.³²

³⁰Enterprise risk management is an agency-wide approach to addressing the organization's external and internal risks by understanding the combined impact of risks as an interrelated portfolio, rather than addressing risks only within silos. See OMB, *Management's Responsibility for Enterprise Risk Management and Internal Control*, Circular No. A-123, (Washington, D.C.: July 15, 2016).

³¹The DOJ IG reported a total of 20 substantiated cases (or an average of four cases per year) over a 5-year period (fiscal years 2015–2019). As of March 2019, DOJ had nearly 113,000 employees.

³²Residual risk is the remaining risk after considering the effects of controls.

Appendix I: Objectives, Scope, and Methodology

Table 4: CFO Act Agencies' Reported Examination of Fraud Risk in Payroll or Time and Attendance, as of Fiscal Year 2019

Agency	Agency reported it considered payroll or time and attendance fraud risk	Risk level reported by agency (low, medium, high)
Department of Agriculture	Yes	Low
Department of Commerce	Yes	Low
Department of Defense	Yes	^a
Department of Education	Yes	Low
Department of Energy	Yes	Low
Department of Health and Human Services	No	agency did not consider fraud risk and, therefore, did not determine a risk level
Department of Homeland Security	Yes	^b
Department of Housing and Urban Development	Yes	Low
Department of the Interior	No	agency did not consider fraud risk and, therefore, did not determine a risk level
Department of Justice	Yes	Low
Department of Labor	Yes	Low
Department of State	Yes	Low
Department of Transportation	Yes	Low
Department of the Treasury	Yes	^c
Department of Veterans Affairs	Yes	Medium ^d
Environmental Protection Agency	Yes	Low
General Services Administration	Yes	^e
National Aeronautics and Space Administration	Yes	Low
National Science Foundation	No	agency did not consider fraud risk and, therefore, did not determine a risk level
Nuclear Regulatory Commission	Yes	Low
Office of Personnel Management	No	agency did not consider fraud risk and, therefore, did not determine a risk level
Small Business Administration	Yes	Low
Social Security Administration	Yes	Low
U.S. Agency for International Development	Yes	^f

Legend: CFO Act = Chief Financial Officers Act of 1990

Source: GAO analysis of agency information. | GAO-20-640

^aThe Department of Defense (DOD) considered the risk associated with time and attendance fraud in its fiscal year 2019 risk assessment. DOD assessed a variety of risk factors associated with payroll and time and attendance, but it did not make a department-level characterization of the residual risk for either function.

^bThe Department of Homeland Security discussed the risk associated with payroll fraud in its Fiscal Year 2019 Agency Financial Report. One component, U.S. Citizenship and Immigration Services, provided a copy of its assessment of time and attendance fraud risk, which identified a very low residual risk for all of the five fraud risks considered.

^cThe Department of the Treasury discussed the risk associated with payroll fraud in its Fiscal Year 2019 Agency Financial Report but did not report a risk level.

^dDepartment of Veterans Affairs officials said the agency also reviewed the effectiveness of existing controls when it considered payroll fraud risks in fiscal year 2019 and determined that the existing controls were adequate to manage risk.

^eThe General Services Administration discussed the risk associated with payroll and time and attendance fraud in its Fiscal Year 2019 Agency Financial Report, but it did not report a risk level.

^fThe U.S. Agency for International Development discussed the risk associated with payroll fraud in its Fiscal Year 2019 Agency Financial Report. The agency also conducted a disciplinary history analysis to identify potential indicators of misconduct or fraud. Time and attendance was identified as one of the most common underlying reasons for disciplinary action in the last decade. However, the agency did not report an overall risk level for payroll or time and attendance fraud.

Most agencies we reviewed reported that they did not determine that any specific work conditions (including telework), job categories, or pay or leave categories were at higher risk of time and attendance fraud as part of their assessment of risks. Specifically, 14 of 24 agencies stated that they did not identify specific conditions with a higher fraud risk. For example, the Department of Homeland Security's U.S. Citizenship and Immigration Services considered the risk of telework policies not being followed, leading to potential fraud and abuse or security breaches (for example, classified information taken out of government facilities, or teleworking without child or elder care). The agency determined that the likelihood was low, the impact was medium, and the combined residual risk once controls were taken into account was very low. Seven other agencies stated that they did not assess whether any conditions presented a higher fraud risk. For example, the Department of Transportation stated that its assessments are not designed to assess fraud risk by any particular work conditions, job categories, or pay or leave categories. However, the remaining three agencies identified specific pay or leave categories that might be at higher risk for time and attendance fraud. Specifically, two entities—the Air Force within DOD and the Social Security Administration—reported that they determined overtime to be a higher risk of time and attendance fraud. Air Force officials said they use system reports for overtime and manual time and attendance entries to identify potential fraud. To mitigate the risk that human resources employees, alone or in collusion with other employees, might pay themselves or someone else overtime that is not earned, the Social Security Administration reported that it uses several existing controls. These controls include, for example, closely monitoring overtime through specific thresholds for each component and requiring supervisory approval. Additionally, U.S. Agency for International Development officials

stated that high advance leave balances could be an indicator of future time and attendance issues.

CFO Act Agencies Reported Using Various Internal Controls, Including Technologies, to Monitor Time and Attendance

Agencies in our review reported using a variety of internal controls, including technologies, for monitoring employees' time and attendance. Internal controls help agency program managers achieve desired results and provide reasonable assurance that program objectives are being achieved through, among other things, effective and efficient use of agency resources.³³ Agencies in our review reported a range of internal controls to monitor time and attendance, such as management by first-line supervisors, guidance, policies, procedures, training, and internal controls built into timekeeping systems that record employees' work and leave hours.³⁴

As timekeeping systems evolve toward increasingly automated methods of recording and reporting employee work and leave times, agencies can also implement specific internal controls that may provide management with the confidence that the system is working as designed. While these internal controls are designed to prevent errors, agencies provided examples of how these internal controls and technology can also be used to prevent and detect time and attendance misconduct. Agencies also reported using other technologies, such as network login information and video cameras, to assess allegations of employee misconduct.

Management by First-Line Supervisor

Agencies reported that a first-line supervisor's management is the most important internal control for managing time and attendance. Specifically, agency officials said that monitoring time and attendance is part of a supervisor's responsibility for performance management. Agency officials and stakeholders said that agencies may identify potential time and

³³[GAO-14-704G](#).

³⁴Our data collection largely preceded any contingency operations activated in response to COVID-19 and reflects normal agency operations.

attendance misconduct in conjunction with other types of misconduct or performance problems. For example, a supervisor who notices a decline in an employee's performance or productivity may identify an underlying time and attendance problem. As a result, an agency would rely on the supervisor to notice a change in the timeliness and quality of the employee's work. Additionally, OPM officials said that monitoring employee performance is one way to determine whether in-person and teleworking employees are working when they say they are working. Similarly, other agency officials stressed that monitoring time and attendance is a part of managing employee performance. Further, according to agency officials we spoke with, supervisors should take steps to address misconduct when they observe it. For example, Commerce reported that supervisors could be advised to (1) re-establish expectations with an employee, (2) change the employee's work schedule from a variable or flexible schedule to a fixed schedule, (3) suspend or remove the employee's telework privileges, (4) require the employee to send an email when arriving and departing each day, or (5) require the employee to badge in each day.

Similarly, stakeholders from associations and unions we interviewed said that first-line supervisors have primary responsibility for monitoring employee time and attendance, ensuring that employees are conducting assigned work, and addressing any related concerns. For example, according to stakeholders, time and attendance problems are often detected after a supervisor notices a change in an employee's behavior or performance. According to agencies, when employees validate their timecards, supervisors should ask questions about how activities were entered to make sure charges are entered correctly. The agencies stated that this should be completed before a supervisor certifies a timecard.

Other Types of Internal Controls Agencies Reported Using to Assist with Monitoring Time and Attendance Misconduct

In addition, the agencies in our review reported using internal controls designed to provide reasonable assurance that time and attendance information is recorded completely, accurately, and as promptly as practicable. They provided various examples of relying on policies, procedures, training, and an electronic timekeeping system. For example:

- We previously reported that an agency should have a specific organizational structure with clearly written policies and procedures

setting forth the responsibilities of employees, timekeepers (if applicable), supervisors, and others regarding recording, examining, approving, and reporting time and attendance information.³⁵ Agencies reported providing time and attendance guidance, including policies and procedures for employees and supervisors. Additionally, agencies set forth the responsibilities of employees, timekeepers, supervisors, and others regarding recording, examining, approving, and reporting time and attendance information.

- Agencies also reported providing training to employees and supervisors on how to use their timekeeping system. Additionally, agencies reported that the training focused on the roles and responsibilities required to maintain effective internal controls.
- We also previously reported that an agency should apply available technology and concepts to achieve efficient and effective timekeeping system processes.³⁶ Agencies reported capturing time and attendance records electronically and generally requiring two-step verification (employee validation and supervisor certification). Additionally, agencies reported that when certifying a time and attendance record, supervisors and employees attest to the accuracy of the timecard.

Internal controls can be either preventive or detective. The main difference between preventive and detective controls is the timing of a control activity within an agency's operations. A preventive control activity prevents an agency from failing to achieve an objective or address a risk. A detective control activity discovers when an agency is not achieving an objective or addressing a risk before the agency's operation has concluded, and corrects the actions so that the agency achieves the objective or addresses the risk. Agencies may design both preventive and detective controls.³⁷

³⁵GAO-03-352G.

³⁶GAO-03-352G.

³⁷GAO-14-704G.

Preventive Controls

Agencies provided various examples of how their timekeeping systems included features that are designed to prevent errors and can also help to prevent misconduct. Specifically:

- Commerce reported that the agency conducts biannual audits of its timekeeping system's access permissions to ensure that all permissions are correct and valid. This type of internal control can prevent misuse and, possibly, inaccurate or invalid data.
- Department of Energy officials said that access controls and authorities are established in their timekeeping system by the payroll team to ensure segregation of duties and prevent unauthorized updates. Additionally, they said that the payroll team conducts an annual review to confirm the accuracy of the individuals granted certifier and timekeeper roles in the timekeeping system, which requires a written response from the appropriate supervisory staff. The timekeeping system is designed to prevent input errors.
- HHS reported using built-in notifications for unapproved timecards, alerts for requesting advance leave when the balance is not available, and a system requirement for a supervisor to approve employee timecards for pay processing. Additionally, HHS stated that employees must request changes to a work schedule and telework through the agency's timekeeping system. The supervisor uses this system to approve or deny these requests.
- The Department of Labor reported using controls built into its automated timekeeping system that are based on internal policy and federal time and pay regulations.
- Interior officials said that both of the timekeeping systems used by agency components have controls at various user levels. Additionally, they said time and attendance audits and other reports are used to catch errors or abnormal reporting.
- The General Services Administration reported that its system performs time and attendance edits and generates errors when a timecard is invalid. Timecards with certain errors are not sent to payroll for processing until the user fixes the error. Additional error checks are done after the timecards are sent to the payroll system, according to officials.
- The National Science Foundation reported that it uses a separation of duties control within its timekeeping system for certifying authorized

timecards for payroll processing that helps prevent an employee from validating and certifying the same timecard.

- The Nuclear Regulatory Commission reported that it has controls in its system to prevent an employee from recording time in violation of the agency's policies and procedures.

Detective Controls

Similarly, agencies reported using their timekeeping systems' built-in features to detect misconduct. For example:

- EPA reported that it uses two reports that monitor time and attendance. The first report identifies discrepancies between leave requests or approvals and leave reported (or not reported) on the timecard. The second report identifies employees who have had their timecard "verified" (submitted on behalf of the employee) more than twice in a quarter.
- HHS reported using system-generated reports to verify leave, telework, and other requests, as well as work schedules. Additionally, officials said the agency uses system notifications to alert management of unapproved leave or telework requests.
- The Department of Energy reported that officials review various reports from its timekeeping system and other systems to ensure that errors, such as missing time, are resolved.
- The Department of Labor reported that officials review error analysis reports provided by the National Finance Center after each pay cycle.³⁸ According to the National Finance Center, agencies can review error reports, logs, or files from the center and process corrections promptly.
- The Social Security Administration reported that officials run several reports on a biweekly basis to monitor new employees, unassigned employees, unvalidated timecards, and uncertified timecards. Officials said that headquarters payroll administrators review other audit log

³⁸The National Finance Center is an OPM-certified Shared Service Center. The National Finance Center serves more than 170 agencies, providing payroll services for more than 600,000 federal employees. According to the National Finance Center, its systems and controls are designed with the expectation that customer agencies implement their own system of internal controls. According to the National Finance Center, each agency's internal controls should be evaluated in conjunction with the National Finance Center's controls, and these controls must work in tandem for the overall control to be effective.

reports within the timekeeping system to review role changes, supervisor roles, and user profile changes.

A few agencies stated that they use other internal controls, such as data analytics, in addition to the controls built into their timekeeping systems. For example:

- According to USAID, it recently conducted a disciplinary history analysis that identified time and attendance misconduct as one of the most common reasons for disciplinary action in the past decade. In addition, USAID runs reports on employees who hold significant advance leave balances because, officials said, this tends to be a good indicator of future time and attendance problems.³⁹
- Similarly, DOJ reported that it conducts periodic leave audits to ensure proper leave administration.⁴⁰ The agency cited reviewing payroll expenses through financial management reporting tools within its financial system. Further, it reported using a data analytics tool to monitor time and attendance reporting. The tool includes reporting and business intelligence capabilities that allow for review and analysis of time and attendance data.
- The Department of Labor reported that officials run leave audit reports and review monthly system audit records using these reports.
- The SBA reported relying on its IG audits of the agency's timekeeping system. Specifically, an independent auditor randomly selects a sample of time and attendance records to test for material weaknesses or deficiencies.
- VA reported that its payroll provider provides system edits to ensure that work schedules, leave, and premium pay requests are posted correctly. VA stated that the payroll provider identifies missing time based on employee work schedules and leave to properly account for time and attendance for each day and pay period.

³⁹According to OPM, an agency may advance annual leave to an employee in an amount not to exceed the amount the employee would accrue within the leave year. An agency should not advance annual leave to an employee when it is known (or reasonably expected) that the employee will not return to duty, such as when the employee has applied for disability retirement.

⁴⁰The leave audit report allows administrators to reconcile historical leave records for a selected employee. This report displays a line for each pay period that the employee has certified timecards. Leave audit reports are available for all leave types.

- The General Services Administration reported that officials run queries periodically to determine whether users have recorded an observed holiday with leave without pay on the day before and the day after the holiday, which is not permitted. Officials said that email notifications are sent to the employee and the manager requesting a correction. Officials also said they conduct a periodic review of system errors and send email notifications to the employee and manager on how to fix the timecard.

Technologies Used for Assessing an Allegation

While preventive and detective controls can help to limit misconduct, they cannot deter all misconduct. When allegations of misconduct are made, agencies in our review reported using other technologies to gather information that can help verify whether misconduct actually occurred. While agencies reported using other technologies to assist with assessing allegations of time and attendance misconduct, officials said these other technologies have limitations.

Agencies and IGs reported using commonly used technologies, while one agency reported using a unique technology. For example, agencies in our review reported using technologies such as badging systems and video surveillance, among others. Government-issued routers are one unique technology used by the Patent and Trademark Office. These technologies, along with examples of their reported limitations, are listed in table 5.

Table 5: Examples of Technologies Agencies Reported Using for Assessing Allegations of Time and Attendance Misconduct

Technology	Reported uses for technology ^a	Examples of limitations ^b
Badging in and out of the office or the use of turnstiles	Agencies can request this data from their security offices to determine when an employee was in the office. Most agencies collect badge-in data.	Does not account for employees who may be at off-site meetings, training, teleworking, or traveling. There is potential “piggybacking” or “tailgating” at certain locations. ^c Not all locations require badge access or use turnstiles. Employees who leave their badge at home may be granted access without badging in. Several agencies do not require employees to badge out.
Video surveillance ^d	Agencies can request this data from their security office. Agency officials can verify if an employee was in the building when the employee claimed to be.	Does not account for off-site meetings, training, telework, or travel. Can be difficult and time-consuming to identify employees on security camera footage. Agencies may have union agreements not to use this data for monitoring.

Appendix I: Objectives, Scope, and Methodology

Network login information (e.g., mobile device or secure token access)	Agencies can request login information to determine how long an employee was logged in to the network. They can also verify logged-in hours against timecard hours.	Does not account for working off-line such as reading documents or work papers. Employees may be logged out of the system during scheduled or impromptu meetings, telephone conversations, or training. Data from the login and logout records are difficult to analyze when there are multiple logins per day.
Email correspondence	Agencies can review email records to corroborate whether an employee was working at a given time or on a given day.	Does not account for times when employees are working on a project, working off-site, or conducting field work and no email correspondence is generated.
Phone records	Agencies can review phone records to corroborate whether an employee was working at a given time or on a given day.	Does not account for employees who may make calls using several platforms (land line; mobile phone; or a web application that provides video chat or voice calls between computers, tablets, or other devices over the internet). Therefore, there is no singular data point to demonstrate the number of calls an employee made during a period of time.
Government-issued routers used at home	Agencies can review when an employee is logged in to the network.	Does not take into account changes in telework location or meetings, training, or alternative schedules.

Source: GAO analysis of agency information. | GAO-20-640

^aNot all agencies reported using every technology listed.

^bAgency officials said that these technologies are resource-intensive and that constant surveillance of employees can affect employee morale.

^cPiggybacking, similar to tailgating, is attempting to enter security-restricted areas by following closely behind another worker without swiping a proximity card or entering a personal identification number for access.

^dAccording to an agency official, video surveillance takes place in common areas and not in areas such as restrooms or locker rooms.

While these technologies could be used for monitoring, agencies stated that their use is resource-intensive and that constant surveillance of employees can affect their morale. Additionally, according to agencies and stakeholders we spoke with, technology for monitoring time and attendance can help prevent and detect fraud, but these technologies may not help when an employee is intent on circumventing controls. Technology alone, they said, cannot prevent fraud.

Therefore, agencies stated that they primarily use these technologies for assessing allegations of misconduct. IGs also reported using a variety of these technologies for their investigations and cited similar limitations with using these technologies.

Agency Comments


We provided a draft of this product to the 24 CFO Act agencies for comment. We received written comments from the Social Security Administration and USAID, which are reproduced in appendixes III and IV. The Social Security Administration stated it had no comments on the

**Appendix I: Objectives, Scope, and
Methodology**

draft report and USAID stated that it is committed to addressing employee time and attendance misconduct. The remaining 22 CFO Act agencies told us they had no comments on the draft report. We also incorporated technical comments from the agencies and their IGs, as appropriate.

We are sending copies of this report to appropriate congressional committees and the heads of the 24 CFO Act agencies. In addition, the report is available at no charge on the GAO website at <https://www.gao.gov>.

If you or your staff have any questions about this report, please contact Chelsa Kenney Gurkin at (202) 512-2964 or gurkinc@gao.gov or Vijay A. D'Souza at (202) 512-6240 or dsouzav@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix V.



Chelsa Kenney Gurkin
Director, International Affairs and Trade



Vijay A. D'Souza
Director, Information Technology and Cybersecurity

List of Requesters

The Honorable Ron Johnson
Chairman
Committee on Homeland Security and Governmental Affairs
United States Senate

The Honorable Carolyn B. Maloney
Chairwoman
The Honorable James Comer
Ranking Member
Committee on Oversight and Reform
House of Representatives

The Honorable Gerald E. Connolly
Chairman
The Honorable Jody Hice
Ranking Member
Subcommittee on Government Operations
Committee on Oversight and Reform
House of Representatives

The Honorable Greg Gianforte
House of Representatives

The Honorable Jim Jordan
House of Representatives

Appendix I: Objectives, Scope, and Methodology

In this report, we described (1) what is known about the extent of time and attendance misconduct and potential fraud across the 24 agencies covered by the Chief Financial Officers Act of 1990 (CFO Act) and (2) what controls and technologies these agencies reported using to monitor employee time and attendance.¹

To determine what is known about the extent of time and attendance misconduct and suspected fraud across the federal government, we requested data on the number of misconduct cases related to time and attendance fraud involving federal civilian employees from the 24 CFO Act agencies for fiscal years 2015 through 2019, the most recent 5-year period for which data could be available. Specifically, we used a structured list of questions to request information on the overall number of cases of misconduct and number of misconduct cases related to time and attendance fraud that resulted in agency action for the each of the five years. We also asked agencies how they determined the number of cases of misconduct related to time and attendance fraud. When agencies did not compile the requested information agency-wide, we asked for the reasons, and requested that they compile the information from their components for us.

We also requested data on the number of investigations that each CFO Act agency's Inspector General (IG) initiated for allegations related to time and attendance fraud and abuse, including the outcome of

¹The 24 agencies listed in the CFO Act are the Departments of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Homeland Security, Housing and Urban Development, the Interior, Justice, Labor, State, Transportation, the Treasury, and Veterans Affairs; the Environmental Protection Agency, General Services Administration, National Aeronautics and Space Administration, National Science Foundation, U.S. Nuclear Regulatory Commission, Office of Personnel Management, Small Business Administration, Social Security Administration, and U.S. Agency for International Development. 31 U.S.C. § 901(b).

investigations, such as the number that substantiated allegations and the number that resulted in unsubstantiated and closed cases.²

We reviewed the data agencies compiled in order to aggregate the data across all 24 CFO Act agencies. We determined, however, that we could not aggregate the agency data because of differences in the ways agencies tracked data. Data for each agency that compiled them are included in appendix II.³ To determine the reliability of the agency misconduct data and IG investigations data, we requested information from knowledgeable agency officials about relevant agency controls, including what procedures are in place to ensure the quality of the data. We also checked the data for missing data, obvious errors, or outliers. We determined that the agency misconduct data were sufficiently reliable for reporting on whether agencies compiled data on time and attendance misconduct, and for presenting the misconduct data reported by each agency. We determined that the IG data were sufficiently reliable for reporting on how many investigations each IG conducted and the outcome of those investigations, as well as for compiling data on the total number of investigations all 24 IGs conducted and the overall outcomes of those investigations.

Because the Payment Integrity Information Act of 2019 requires agencies to report on identifying fraud risks, including with respect to payroll, we also reviewed each agency's fiscal year 2019 Annual Financial Report and other documentation from fiscal years 2015 through 2019 that agencies used to consider the risk of payroll or time and attendance fraud. Documentation we reviewed included agencies' responses to our information requests, agencies' risk assessments for payroll or time and

²IGs may receive allegations of time and attendance fraud or other misconduct from a number of sources and may conduct investigations separate from agency human capital offices. IG office officials said that if their investigation substantiates an allegation, they refer the case to the agency for action. If an IG has reasonable grounds to believe there has been a violation of federal criminal law, the IG must refer the case to the Attorney General of the Department of Justice, where it will be considered for potential criminal prosecution. Therefore, the misconduct data that agencies provided on cases that resulted in agency action may also include cases investigated and substantiated by the IG.

³For additional context, we also list the number of employees as of March 2019 and relative size of each agency. For the purposes of this report, we sorted the 24 CFO Act agencies by number of employees and grouped them into three general size categories. The eight smallest agencies, in terms of number of employees, are listed as "small" agencies; the next eight agencies, in terms of number of employees, are listed as "mid-size" agencies; and the eight largest agencies, in terms of the number of employees, are listed as "large" agencies.

attendance fraud, and documentation completed as part of agencies' general enterprise risk management process.

We also asked semi-structured questions about whether CFO Act agencies determined the risk level of payroll or time and attendance fraud and identified any specific risks, as well as steps they took to mitigate risks. We also asked agencies whether they determined that any particular work conditions (such as telework), job categories, or pay or leave categories (such as overtime) were a higher risk for time and attendance fraud. We obtained and reviewed agencies' documentation to support their responses to these questions. We determined that an agency considered the risk of payroll or time and attendance fraud if it included a discussion or assessment of time and attendance fraud risks in its Annual Financial Report or other agency documents. We did not independently assess the quality of agencies' risk assessments or determine whether agencies conducted risk assessments in accordance with *A Framework for Managing Fraud Risks in Federal Programs*.⁴

To determine what controls agencies reported using to monitor employees' time and attendance, we used a semi-structured list of questions to request information from the 24 CFO Act agencies on (1) the agencies' processes for monitoring time and attendance; (2) controls and technologies the agencies reported using for monitoring time and attendance; (3) the extent to which, and under what circumstances, the agencies reported using these tools; and (4) any challenges associated with the agencies' use of these tools. We obtained and analyzed examples agencies provided on the controls and technologies they used to monitor time and attendance and prevent and detect misconduct for fiscal years 2015 through 2019. We collected information from the CFO Act agencies in February and March 2020. Data collection largely preceded any contingency operations activated in response to Coronavirus Disease 2019 (COVID-19) and therefore reflects normal agency operations. We did not evaluate the effectiveness of agencies' controls or the extent to which agencies used required controls.

For both objectives, we interviewed officials or received written responses from each of the 24 CFO Act agencies, including officials from human capital and financial offices, and IGs. We also interviewed representatives

⁴GAO, *A Framework for Managing Fraud Risks in Federal Programs*, [GAO-15-593SP](#) (Washington, D.C.: July 28, 2015).

of the Merit Systems Protection Board, the Federal Managers Association, the Society for Human Resource Management, the two largest unions that represent federal employees—the National Treasury Employees Union and the American Federation of Government Employees—and the National Finance Center to obtain a variety of perspectives on time and attendance management.

We conducted this performance audit from October 2019 to August 2020 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix II: Chief Financial Officers Act of 1990 (CFO Act) Agencies' Time and Attendance Misconduct Data

Twenty-two of the 24 CFO Act agencies¹ compiled a variety of data on instances of employee time and attendance misconduct from fiscal years 2015 through 2019.² These agencies included different categories of data in response to our request for misconduct cases related to time and attendance fraud. Specifically:

- Nine of 22 agencies compiled data on all misconduct cases related to time and attendance.
- Eight of 22 agencies compiled data on a subset of time and attendance misconduct more narrowly focused on potential fraud.
- Five of 22 agencies compiled a mix of data, with some agency components compiling all time and attendance-related misconduct data and others compiling a subset of data that focused on potential fraud.

¹The 24 agencies listed in the CFO Act are the Departments of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Homeland Security, Housing and Urban Development, the Interior, Justice, Labor, State, Transportation, the Treasury, and Veterans Affairs; the Environmental Protection Agency, General Services Administration, National Aeronautics and Space Administration, National Science Foundation, U.S. Nuclear Regulatory Commission, Office of Personnel Management, Small Business Administration, Social Security Administration, and U.S. Agency for International Development. 31 U.S.C. § 901(b).

²Two agencies—the Departments of Agriculture and Veterans Affairs—did not provide data in response to our request because they did not compile this data agency-wide in fiscal years 2015 through 2019.

Appendix II: Chief Financial Officers Act of 1990 (CFO Act) Agencies' Time and Attendance Misconduct Data

We grouped the data below based on the categories of the data agencies compiled.³

Data from a few agencies were incomplete. Specifically, not all components from the Departments of Defense and Justice compiled misconduct data. Further, five agencies had data for a portion of the 5-year period we examined.

Sixteen agencies compiled data on disciplinary actions taken for time and attendance misconduct. Those data are also included below for each of the agencies that provided them.

Agencies That Compiled All Time and Attendance Misconduct Data

Department of the Interior

Table 6: Department of the Interior Reported Instances of Misconduct Related to Time and Attendance

Agency employment (as of March 2019): 59,757 employees (mid-size)					
Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	data not available	data not available	data not available	309	504
Total misconduct cases related to time and attendance resulting in agency action ^a	data not available	data not available	data not available	54	40

Source: Department of the Interior. | GAO-20-640

^aThe Department of the Interior reported that the misconduct cases include disciplinary cases in which misconduct was determined to have occurred. Time and attendance disciplinary charges included: absence without leave; failure to follow established leave procedures; failure to provide administratively acceptable documentation to support absence(s); sleeping or loafing while on duty; inattention to duty; willful idleness; and falsification/misrepresentation of official government records or documents.

³For additional context, we also list the number of employees as of March 2019 and relative size of each agency. For the purposes of this report, we sorted the 24 CFO Act agencies by number of employees and grouped them into three general size categories. The eight smallest agencies, in terms of number of employees, are listed as “small” agencies; the next eight agencies, in terms of number of employees, are listed as “mid-size” agencies; and the eight largest agencies, in terms of the number of employees, are listed as “large” agencies.

Appendix II: Chief Financial Officers Act of 1990 (CFO Act) Agencies' Time and Attendance Misconduct Data

Table 7: Department of the Interior Reported Actions Taken for Misconduct Related to Time and Attendance, Fiscal Years 2015–2019

Suspension	37
Reprimand	30
Removal	16
Counseling	5
Termination	4
Demotion ^a	1
Leave restriction	1

Source: Department of the Interior. | GAO-20-640

^aListed as a “reduction in grade, or equivalent.”

Department of Labor

Table 8: Department of Labor Reported Instances of Misconduct Related to Time and Attendance

Agency employment (as of March 2019): 14,032 employees (mid-size)

Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	208	287	357	419	312
Total misconduct cases related to time and attendance resulting in agency action ^a	21	32	45	33	12

Source: Department of Labor. | GAO-20-640

^aThe Department of Labor reported that these data included the following charges: leave abuse; failure to follow leave procedures; and failure to accurately report time and attendance; among others.

Table 9: Department of Labor Reported Actions Taken for Misconduct Related to Time and Attendance, Fiscal Years 2015–2019

Leave restriction	29
Warning letter	20
Reprimand	19
Notice of leave procedures	14
Removal	13
Suspension	9
Other	39

Source: Department of Labor. | GAO-20-640

Appendix II: Chief Financial Officers Act of 1990 (CFO Act) Agencies' Time and Attendance Misconduct Data

Department of Transportation

Table 10: Department of Transportation Reported Instances of Misconduct Related to Time and Attendance

Agency employment (as of March 2019): 53,379 employees (mid-size)					
Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	1,519	1,394	1,702	1,684	1,227
Total misconduct cases related to time and attendance resulting in agency action ^a	122	118	147	126	129

Source: Department of Transportation. | GAO-20-640

^aThe Department of Transportation reported that these data include misconduct for the following charges: tardiness; excessive absences; absence without leave; failure to follow time and attendance policy; and failure to accurately report time and attendance.

Table 11: Department of Transportation Reported Actions Taken for Misconduct Related to Time and Attendance, Fiscal Years 2015–2019

Suspension	274
Reprimand	188
Removal	62
Counseling	24
Termination ^a	17
Leave restriction	11
Demotion	1
Other	65

Source: Department of Transportation. | GAO-20-640

^aThe Department of Transportation listed these actions as “Termination-Probationary.”

Environmental Protection Agency

Table 12: Environmental Protection Agency Reported Instances of Misconduct Related to Time and Attendance

Agency employment (as of March 2019): 14,349 employees (mid-size)					
Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	data not available	101	85	82	78
Total misconduct cases related to time and attendance resulting in agency action ^a	data not available	19	19	12	20

Source: Environmental Protection Agency. | GAO-20-640

^aThe Environmental Protection Agency reported that these data include misconduct for the following charges: absent without leave; abuse of leave; enforced leave; excessive absence; excessive

Appendix II: Chief Financial Officers Act of 1990 (CFO Act) Agencies' Time and Attendance Misconduct Data

tardiness; failure to follow leave procedures; failure to maintain a regular work schedule; and inaccurate reporting of time and attendance.

Table 13: Environmental Protection Agency Reported Actions Taken for Misconduct Related to Time and Attendance, Fiscal Years 2015–2019

Suspension	25
Reprimand	23
Removal	19
Other ^a	9

Source: Environmental Protection Agency. | GAO-20-640

Note: Environmental Protection Agency officials said these data represent individual cases of misconduct. It is possible that an employee received multiple disciplinary actions related to time and attendance misconduct. It is also possible that the first instance of misconduct resulted in removal.

^a“Other” includes settlement agreements, retirement, or resignation in lieu of action.

General Services Administration

Table 14: General Services Administration Reported Instances of Misconduct Related to Time and Attendance

Agency employment (as of March 2019): 10,981 employees (small)					
Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	137	156	163	127	127
Total misconduct cases related to time and attendance resulting in agency action ^a	18	38	25	27	18

Source: General Services Administration. | GAO-20-640

Note: The General Services Administration did not report details on the number of actions taken. The agency stated that discipline ranged from a warning notice up to removal and that, in many cases, the employee was also charged with non-leave-related misconduct.

^aGeneral Services Administration officials noted that these data include misconduct for the following charges: absence without leave; tardiness; failure to follow leave procedures; misuse of telework; and excessive absences.

National Aeronautics and Space Administration

Table 15: National Aeronautics and Space Administration Reported Instances of Misconduct Related to Time and Attendance

Agency employment (as of March 2019): 17,079 employees (mid-size)					
Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	184	185	169	207	169
Total misconduct cases related to time and attendance resulting in agency action ^a	12	13	16	18	17

Source: National Aeronautics and Space Administration. | GAO-20-640

**Appendix II: Chief Financial Officers Act of
1990 (CFO Act) Agencies' Time and
Attendance Misconduct Data**

^aNational Aeronautics and Space Administration officials said that these data include misconduct for the following charges: approving a time card known to be fraudulent; inaccurately claiming time for which the employee did not work; personal business while on duty; away from duties without permission; failure to follow policies pertaining to leave procedures; excessive use of leave and absence without leave; and misuse of official time.

Appendix II: Chief Financial Officers Act of 1990 (CFO Act) Agencies' Time and Attendance Misconduct Data

Table 16: National Aeronautics and Space Administration Reported Actions Taken for Misconduct Related to Time and Attendance, Fiscal Years 2015–2019

Suspension	30
Reprimand	28
Removal ^a	18

Source: National Aeronautics and Space Administration. | GAO-20-640

^aNational Aeronautics and Space Administration officials said most of these employees resigned or retired after being notified of a proposed removal action.

Nuclear Regulatory Commission

Table 17: Nuclear Regulatory Commission Reported Instances of Misconduct Related to Time and Attendance

Agency employment (as of March 2019): 2,979 employees (small)

Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	20	19	22	28	16
Total misconduct cases related to time and attendance fraud resulting in agency action ^a	3	6	3	2	4

Source: Nuclear Regulatory Commission. | GAO-20-640

^aNuclear Regulatory Commission officials said these data include all cases of misconduct related to time and attendance.

Small Business Administration

Table 18: Small Business Administration Reported Instances of Misconduct Related to Time and Attendance

Agency employment (as of March 2019): 4,523 employees (small)

Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	29	18	62	61	29
Total misconduct cases related to time and attendance resulting in agency action ^a	5	5	9	12	5

Source: Small Business Administration. | GAO-20-640

Note: The Small Business Administration (SBA) did not report details on the number of actions taken. Officials said that none of the time and attendance misconduct cases were charged as fraud. Officials said that they address time and attendance issues through the disciplinary and adverse action procedures outlined in agency policy and labor agreements.

^aSBA officials said that time and attendance charges included: absent without leave; failure to follow leave requesting procedures; failure to properly request leave; leaving post of duty without authorization; claiming time on one's timecard that one did not work; recurring tardiness; excessive absences; certifying inaccurate information in the daily time and attendance report; failure to monitor timesheet; and lack of candor.

Social Security Administration

Table 19: Social Security Administration Reported Instances of Misconduct Related to Time and Attendance

Agency employment (as of March 2019): 61,803 employees (large)					
Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	878	1,001	1,127	1,478	1,805
Total misconduct cases related to time and attendance resulting in agency action ^a	215	241	340	383	402

Source: Social Security Administration. | GAO-20-640

Note: The Social Security Administration did not report details on the number of actions taken. Officials said that actions included reprimands, suspensions, and removals.

^aSocial Security Administration officials said that these data include misconduct for the following charges: falsifying time and attendance records; misuse of government/duty time; absence without leave; abuse of leave/excessive absence; failure to comply with leave or time and attendance rules and procedures; tardiness.

Agencies That Compiled a Subset of Time and Attendance Misconduct Data Related to Potential Fraud

Department of Commerce

Table 20: Department of Commerce Reported Instances of Misconduct Related to Time and Attendance Fraud

Agency employment (as of March 2019): 46,527 employees (mid-size)					
Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	1,303	1,431	1,395	1,512	1,005
Total misconduct cases related to time and attendance fraud resulting in agency action ^a	26	80	43	27	23

Source: Department of Commerce. | GAO-20-640

^aThe Department of Commerce reported that these calculations include only misconduct related to fraud in which employees allegedly recorded time for which they did not work (falsification or misrepresentation of time and attendance, or providing inaccurate information).

Table 21: Department of Commerce Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2015–2019

Suspension	99
Reprimand	45
Removal	36

Appendix II: Chief Financial Officers Act of 1990 (CFO Act) Agencies' Time and Attendance Misconduct Data

Probationary discharge	8
Termination	6
Admonishment	2
Counseling	2
Leave restriction letter	1

Source: Department of Commerce. | GAO-20-640

Department of Education

Table 22: Department of Education Reported Instances of Misconduct Related to Time and Attendance Fraud

Agency employment (as of March 2019): 3,664 employees (small)					
Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	20	9	40	42	38
Total misconduct cases related to time and attendance ^a	13	7	20	24	17
Total misconduct cases related to time and attendance fraud resulting in agency action ^b	0	0	2	0	0

Source: Department of Education. | GAO-20-640

^aThe Department of Education compiled data on all misconduct cases related to time and attendance and the subset of those cases related to potential fraud. We present both types of time and attendance misconduct data.

^bDepartment of Education officials said that the two cases identified as being related to time and attendance fraud involved situations when employees entered false or inaccurate information on their time and attendance records.

Appendix II: Chief Financial Officers Act of 1990 (CFO Act) Agencies' Time and Attendance Misconduct Data

Table 23: Department of Education Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2015–2019

Suspension	2
------------	---

Source: Department of Education. | GAO-20-640

Department of Energy

Table 24: Department of Energy Reported Instances of Misconduct Related to Time and Attendance Fraud

Agency employment (as of March 2019): 14,214 employees (mid-size)					
Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	data not available	data not available	data not available	31	46
Total misconduct cases related to time and attendance fraud resulting in agency action ^a	data not available	data not available	data not available	1	1

Source: Department of Energy. | GAO-20-640

^aDepartment of Energy officials said that these data include only cases regarding inaccurately claiming time for which the employee did not work.

Table 25: Department of Energy Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2018–2019

Removal	2
---------	---

Source: Department of Energy. | GAO-20-640

Department of Housing and Urban Development

Table 26: Department of Housing and Urban Development Reported Instances of Misconduct Related to Time and Attendance Fraud

Agency employment (as of March 2019): 7,354 employees (small)					
Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	112	58	109	116	95
Total misconduct cases related to time and attendance fraud resulting in agency action ^a	2	2	2	3	3

Source: Department of Housing and Urban Development. | GAO-20-640

^aThe Department of Housing and Urban Development reported that officials generated a report of all misconduct in each given year and then reviewed the report to identify cases specifically related to time and attendance fraud.

Appendix II: Chief Financial Officers Act of 1990 (CFO Act) Agencies' Time and Attendance Misconduct Data

Table 27: Department of Housing and Urban Development Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2015–2019

Removal	4
Resignation	3
Retirement	2
Counseling	1
Reprimand	1
No action	1

Source: Department of Housing and Urban Development. | GAO-20-640

Department of State

Table 28: Department of State Reported Instances of Misconduct Related to Time and Attendance Fraud

Agency employment (as of March 2020): 23,984 employees (mid-size)

Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	221	229	185	142	176
Total misconduct cases related to time and attendance fraud resulting in agency action ^a	1	3	0	0	2

Source: Department of State. | GAO-20-640

^aThe Department of State stated that these data include instances in which an employee obtained sick leave under false pretenses or otherwise claimed time for which the employee did not work. The Department of State did not include other types of leave abuse or misconduct related to time and attendance for this category.

Table 29: Department of State Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2015–2019

Suspension	5
Removal	1

Source: Department of State. | GAO-20-640

Appendix II: Chief Financial Officers Act of 1990 (CFO Act) Agencies' Time and Attendance Misconduct Data

National Science Foundation

Table 30: National Science Foundation Reported Instances of Misconduct Related to Time and Attendance Fraud

Agency employment (as of March 2019): 1,462 employees (small)					
Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	data not available	data not available	16	17	20
Total misconduct cases related to time and attendance fraud resulting in agency action ^a	0	0	0	1	0

Source: National Science Foundation. | GAO-20-640

^aThe National Science Foundation reported that officials reviewed case files from fiscal years 2015 through 2019 for formal cases in which employees were charged with time and attendance fraud. Since late 2018, the National Science Foundation has used an electronic system; prior to that the agency used a combination of paper and electronic files.

Office of Personnel Management

Table 31: Office of Personnel Management Reported Instances of Misconduct Related to Time and Attendance Fraud

Agency employment (as of March 2019): 5,548 employees (small)					
Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	data not available	data not available	data not available	81	47
Total misconduct cases related to time and attendance fraud resulting in agency action ^a	data not available	data not available	data not available	2	4

Source: Office of Personnel Management. | GAO-20-640

^aThe Office of Personnel Management stated that these data include cases for failure to work reported hours.

Table 32: Office of Personnel Management Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2018–2019

Suspension	5
Reprimand	1

Source: Office of Personnel Management. | GAO-20-640

Appendix II: Chief Financial Officers Act of 1990 (CFO Act) Agencies' Time and Attendance Misconduct Data

U.S. Agency for International Development

Table 33: U.S. Agency for International Development Reported Instances of Misconduct Related to Time and Attendance Fraud

Agency employment (as of March 2019): 3,477 employees (small)					
Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	8	14	7	3	14
Total misconduct cases related to time and attendance fraud resulting in agency action ^a	2	0	1	1	3

Source: U.S. Agency for International Development. | GAO-20-640

^aThe U.S. Agency for International Development stated that these data were compiled based on an analysis of the proposal and decision letters for each case. They include cases of absence without leave, failure to follow leave procedures, and excessive absences.

Table 34: U.S. Agency for International Development Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2015–2019

Removal	5
Reprimand	2

Source: U.S. Agency for International Development. | GAO-20-640

Data Compiled Varied by Agency Sub-Component

Department of Defense

Table 35: Department of Defense Reported Instances of Misconduct Related to Time and Attendance Fraud

Agency civilian employment (as of March 2019): 747,117 employees (large)					
Fiscal year	2015	2016	2017	2018	2019
Air Force					
Total misconduct cases related to time and attendance fraud resulting in agency action ^a	0	0	0	1	0
Army					
Total misconduct charges related to time and attendance fraud resulting in agency action ^b	data not available	data not available	data not available	data not available	data not available
Defense Finance and Accounting Service					
Total misconduct cases related to time and attendance fraud resulting in agency action ^c	data not available	data not available	data not available	data not available	data not available
Defense Human Resources Activity					
Total misconduct cases related to time and attendance fraud resulting in agency action ^d	data not available	data not available	data not available	data not available	data not available
Navy					
Total misconduct cases (for all reasons)	1,692	2,610	2,586	2,814	3,087
Total misconduct charges related to time and attendance ^e	703	1,101	982	834	1,264
Marine Corps					
Total misconduct charges related to time and attendance ^f	114	112	81	108	161

Source: Department of Defense. | GAO-20-640

^aAir Force officials said they identified one case of fraud in 2018 that occurred from 2001 to 2018. According to officials, the employee was removed from federal service, tried in a court of law, and found guilty of computer fraud and theft of government property. Air Force officials said they did not identify any other cases of fraud during this time period.

^bArmy officials said the Army does not collect data on instances of time and attendance misconduct or fraud.

^cThe Defense Finance Accounting Service did not report data in response to our request.

^dDepartment of Defense officials said the Defense Human Resources Activity does not collect data on instances of time and attendance misconduct or fraud and abuse. Instances are addressed on a case-by-case basis.

^eThese data include cases of tardiness, unexcused absences, falsification of time and attendance records, and other time and attendance-related misconduct.

^fThese data include cases of tardiness, unexcused absences, falsification of time and attendance records, and other time and attendance-related misconduct.

**Appendix II: Chief Financial Officers Act of
1990 (CFO Act) Agencies' Time and
Attendance Misconduct Data**

Table 36: Department of Defense Reported Actions Taken for Misconduct Related to Time and Attendance, Fiscal Years 2015–2019

Action taken for Misconduct	Navy	Marine Corps
Suspension	1,483	158
Letter of caution	1,204	173
Letter of reprimand	1,190	166
Removal	1,007	79

Source: Department of Defense. | GAO-20-640

Department of Health and Human Services

Table 37: Department Health and Human Services Reported Instances of Misconduct Related to Time and Attendance Fraud

Agency employment (as of March 2019): 81,978 employees (large)

Fiscal year	2015	2016	2017	2018	2019
Centers for Medicare and Medicaid Services					
Total misconduct cases (for all reasons)	181	111	145	174	181
Total misconduct cases related to time and attendance fraud resulting in agency action	2	2	4	6	11
Centers for Disease Control and Prevention					
Total misconduct cases (for all reasons)	5	9	14	38	78
Total misconduct cases related to time and attendance fraud resulting in agency action	data not available	data not available	data not available	data not available	8
Food and Drug Administration					
Total misconduct cases (for all reasons)	7	126	209	230	201
Total misconduct cases related to time and attendance fraud resulting in agency action	0	1	6	2	0
Health Resources and Services Administration					
Total misconduct cases (for all reasons)	99	131	123	135	124
Total misconduct cases related to time and attendance resulting in agency action	43	21	26	24	23
Indian Health Service					
Total misconduct cases (for all reasons)	507	830	683	588	726
Total misconduct cases related to time and attendance fraud resulting in agency action	18	79	91	86	94
National Institutes of Health					
Total misconduct cases (for all reasons)	425	383	456	483	510
Total misconduct cases related to time and attendance fraud resulting in agency action	164	137	156	185	161
Staffing, Recruitment, and Operations Center					

Appendix II: Chief Financial Officers Act of 1990 (CFO Act) Agencies' Time and Attendance Misconduct Data

Total misconduct cases (for all reasons)	38	46	18	20	26
Total misconduct cases related to time and attendance fraud resulting in agency action	5	5	9	2	1

Legend: — = data not available.

Source: Department of Health and Human Services. | GAO-20-640

Note: Department of Health and Human Services officials reported that each of the department's human resources centers has different tools for tracking misconduct cases. The officials said that examples of misconduct cases related to time and attendance include: absence without leave, failure to follow leave requesting procedures, falsification of timecard data, failure to abide by leave restrictions, negligent performance of duty, and inappropriate use of government time or property. Officials said that most of these cases were not deemed to be related to potential fraud, and that cases often involve more than one charge, as there may be other conduct-related concerns included with time and attendance.

Department of Homeland Security

Table 38: Department of Homeland Security Reported Instances of Misconduct Related to Time and Attendance Fraud

Agency employment (as of March 2019): 207,082 employees (large)					
Fiscal year	2015	2016	2017	2018	2019
Total misconduct cases (for all reasons)	14,368	13,214	24,669	25,133	11,543
Total misconduct cases related to time and attendance fraud resulting in agency action ^a	1,301	1,213	1,587	1,388	1,049

Source: Department of Homeland Security. | GAO-20-640

^aThe Department of Homeland Security reported that its components tracked data differently. Officials said some components submitted data on allegations of time and attendance fraud, specifically. Other components may not separately track allegations, and data were submitted or extracted from annual reports to the department identifying cases of absence without leave, tardiness, unexcused absence, and inaccurate reporting of time, among others, without specifically identifying allegations of fraud.

**Appendix II: Chief Financial Officers Act of
1990 (CFO Act) Agencies' Time and
Attendance Misconduct Data**

Table 39: Department of Homeland Security Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2015–2019

Reprimand	3,485
Suspension	1,955
Removal	1,083
Demotion	1
Other	14

Source: Department of Homeland Security. | GAO-20-640

Department of Justice

Table 40: Department of Justice Reported Instances of Misconduct Related to Time and Attendance Fraud

Agency employment (as of March 2019): 112,785 employees (large)

Fiscal year	2015	2016	2017	2018	2019
Antitrust Division					
Total misconduct cases (for all reasons)	0	5	3	4	2
Total misconduct cases related to time and attendance resulting in agency action ^a	0	1	0	0	0
Bureau of Alcohol, Tobacco, Firearms, and Explosives					
Total misconduct cases (for all reasons)	483	480	462	500	426
Total misconduct cases related to time and attendance fraud ^b	7	5	19	8	2
Bureau of Prisons					
Total misconduct cases (for all reasons)	5,206	5,128	4,392	4,670	4,421
Total misconduct cases related to time and attendance fraud resulting in agency action ^c	8	9	11	9	4
Civil Division					
Total misconduct cases (for all reasons)	7	14	23	18	14
Total misconduct cases related to time and attendance fraud resulting in agency action ^d	2	0	1	5	1
Civil Rights Division					
Total misconduct cases (for all reasons)	10	4	9	5	5
Total misconduct cases related to time and attendance fraud resulting in agency action ^e	2	1	3	5	0
Criminal Division					
Total misconduct cases (for all reasons)	9	7	13	9	10
Total misconduct cases related to time and attendance fraud resulting in agency action ^f	1	0	0	0	0
Drug Enforcement Administration					

**Appendix II: Chief Financial Officers Act of
1990 (CFO Act) Agencies' Time and
Attendance Misconduct Data**

Total misconduct cases (for all reasons)	data not available	data not available	data not available	data not available	data not available
Total misconduct cases related to time and attendance fraud resulting in agency action ^g	data not available	data not available	data not available	data not available	data not available
Environment and Natural Resources Division					
Total misconduct cases (for all reasons)	0	3	3	6	3
Total misconduct cases related to time and attendance fraud resulting in agency action ^h	0	0	0	0	0
Executive Office for Immigration Review					
Total misconduct cases (for all reasons)	data not available	data not available	data not available	data not available	data not available
Total misconduct cases related to time and attendance fraud resulting in agency action ⁱ	data not available	data not available	data not available	data not available	data not available
Executive Office for U.S. Attorneys					
Total misconduct cases (for all reasons)	data not available	data not available	data not available	data not available	data not available
Total misconduct cases related to time and attendance fraud resulting in agency action ^j	data not available	data not available	data not available	data not available	data not available
Federal Bureau of Investigation					
Total misconduct cases (for all reasons)	data not available	data not available	data not available	data not available	data not available
Total misconduct cases related to time and attendance fraud resulting in agency action ^k	data not available	data not available	data not available	data not available	data not available
Office of Justice Programs					
Total misconduct cases (for all reasons)	1	1	0	0	1
Total misconduct cases related to time and attendance fraud resulting in agency action ^l	1	1	0	0	1
Tax Division					
Total misconduct cases (for all reasons)	data not available	data not available	data not available	data not available	data not available
Total misconduct cases related to time and attendance fraud resulting in agency action ^m	data not available	data not available	data not available	data not available	data not available
U.S. Marshals Service					
Total misconduct cases (for all reasons)	470	450	281	203	356
Total misconduct cases related to time and attendance fraud resulting in agency action ⁿ	2	4	4	1	2

Legend: — = data not available.

Source: Department of Justice. | GAO-20-640

^aThe Antitrust Division stated that these cases included the charges of tardiness and unexcused absences.

^bThe Bureau of Alcohol, Tobacco, Firearms, and Explosives stated that these data are based on a search of misconduct records maintained by its Management Division, Office of Chief Counsel; the Professional Review Board; and the Bureau Deciding Official, as well as its Internal Affairs division's

**Appendix II: Chief Financial Officers Act of
1990 (CFO Act) Agencies' Time and
Attendance Misconduct Data**

IAPro system. The misconduct cases related to inaccurately claiming time for which the employee did not work. The 2018 and 2019 data represent data from the Internal Affairs division only. The Bureau of Alcohol, Tobacco, Firearms and Explosives did not provide complete data on the penalties applied in these cases, but stated that the penalties for one matter involving time card fraud was removal based on the number of instances. Another matter included removal, but that matter also included the offenses of lack of candor and willful misuse of a government-owned vehicle. One time card fraud matter ended with issuance of a letter of reprimand. A time card fraud matter in fiscal year 2015 included a proposed 14-day suspension, but the employee resigned prior to issuance of the decision.

^cThe Bureau of Prisons stated that these data include all cases in which time and attendance irregularities are sustained, but do not include unauthorized absences or tardiness. The data provided here are based on time and attendance irregularities because officials determined that they represented the closest category of misconduct to time and attendance fraud found in the Bureau of Prisons misconduct database.

^dThe Civil Division stated that these data include cases involving the following charges: absence without leave, tardiness, unscheduled absences, WebTA discrepancies, and failure to enter leave in WebTA.

^eThe Civil Rights Division stated that these data include cases involving the charges of absence without leave and failure to follow leave procedures. Officials said that all of the cases included above resulted in a reprimand, suspension, or removal. They had other cases that resulted in counseling letters, which are not included in the above data.

^fThe Criminal Division stated that it reported only cases involving circumstances where the agency concluded that the employee intentionally reported inaccurate time and attendance. Officials said they did not include any other misconduct involving leave issues or failure to comply with time and attendance policies.

^gDrug Enforcement Administration officials said that the Drug Enforcement Administration does not currently collect this data or have a system to track such data.

^hThe Environment and Natural Resources Division stated that it reviewed paper and electronic files related to employee and labor relations matters involving counseling or formal discipline. It did not identify any cases involving misconduct related to time and attendance fraud.

ⁱThe Executive Office for Immigration Review stated that it has not collected or tracked data related time and attendance misconduct or fraud.

^jThe Executive Office for U.S. Attorneys stated that when issues arise related to employee time and attendance misconduct or fraud, they are brought to their General Counsel's Office. All inquiries or cases brought to the General Counsel's Office are documented in its ProLaw database. Officials stated that these data are not readily available and that officials would have to manually searching files in ProLaw to identify these cases.

^kThe Federal Bureau of Investigation stated that data are collected on a broad variety of employee misconduct, but time and attendance misconduct or fraud are not separately broken out and would have to be assembled manually.

^lThe Office of Justice Programs stated that individuals in these cases were all charged with absence without leave. Two of these cases related to repeated tardiness and one related to failure to follow leave procedures.

^mTax Division officials said they do not regularly collect such data. They said that they have very few cases involving time and attendance misconduct, and that the matter usually comes up only in the context of another conduct issue or investigation and is considered as part of the action taken on those allegations.

ⁿThe U.S. Marshals Service stated that it conducted research through a tracking database and searched for time and attendance fraud and any or all fraud. These data include charges of absence without leave, fraud of any kind, failure to validate time and attendance, habitual tardiness, and all other complaints involving time and attendance.

**Appendix II: Chief Financial Officers Act of
1990 (CFO Act) Agencies' Time and
Attendance Misconduct Data**

Table 41: Department of Justice Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2015–2019

Actions taken fro Misconduct	Antitrust Division	Bureau of Prisons	Civil Division	Criminal Division	Office of Justice Programs	U.S. Marshals Service^a
Suspension	0	24	0	1	0	6
Reprimand	0	7	1	0	0	1
Removal	0	1	0	0	0	0
Resignation	0	11	0	0	2	0
Leave restriction	0	0	1	0	1	0
Demotion	0	1	0	0	0	1
Counseling	1	0	3	0	0	3
Other	0	0	0	0	0	3

Source: Department of Justice. | GAO-20-640

Note: If a component did not report taking a listed action, we listed it as "0."

^aThe U.S. Marshals Service reported that one person was both suspended and demoted.

Department of the Treasury

Table 42: Department of the Treasury Reported Instances of Misconduct Related to Time and Attendance Fraud

Agency employment (as of March 2019): 93,295 employees (large)					
Fiscal year	2015	2016	2017	2018	2019
Bureau of Engraving and Printing					
Total misconduct cases (for all reasons)	53	87	130	46	92
Total misconduct cases related to time and attendance fraud resulting in agency action ^a	0	5	0	1	0
Bureau of the Fiscal Service					
Total misconduct cases (for all reasons)	184	171	172	100	196
Total misconduct cases related to time and attendance fraud resulting in agency action ^b	15	15	11	6	13
Financial Crimes Enforcement Network					
Total misconduct cases (for all reasons)	3	2	1	3	4
Total misconduct cases related to time and attendance fraud resulting in agency action ^c	1	0	0	0	1
Internal Revenue Service					
Total misconduct cases (for all reasons)	5,866	5,877	6,847	6,224	6,042
Total misconduct cases related to time and attendance fraud resulting in agency action ^d	2	4	1	3	6
U.S. Mint					
Total misconduct cases (for all reasons)	35	— ^e	41	31	33

**Appendix II: Chief Financial Officers Act of
1990 (CFO Act) Agencies' Time and
Attendance Misconduct Data**

Total misconduct cases related to time and attendance fraud resulting in agency action ^f	— ^e	— ^e	6	7	9
---	----------------	----------------	---	---	---

Source: Department of the Treasury. | GAO-20-640

^aThe Bureau of Engraving and Printing reported that these data were calculated based on a combination of case management files and an employee and labor relations tracking system. The calculation includes the charge of failure to follow established leave procedures.

^bThe Bureau of the Fiscal Service reported that these data include a variety of charges, such as validating and submitting inaccurate time cards, failure to follow proper leave procedures, absence without leave, and tardiness.

^cThe Financial Crimes Enforcement Network reported that these data include the charges of time and attendance fraud, absence without leave, and tardiness.

^dThe Internal Revenue Service reported that these data were calculated by searching for charges related to falsification of official documents along with a key word search indicating the charge related to timecard reporting.

^eThe U.S. Mint reported that misconduct data were not maintained in a way that would allow agency officials to distinguish time and attendance-related misconduct from all misconduct for fiscal year 2015. The agency reported that no misconduct data were available for fiscal year 2016.

^fThe U.S. Mint reported that these data included charges related to tardiness, absent without leave, absent from duty location, failure to report for duty, and failure to follow leave procedures.

Table 43: Department of the Treasury Reported Actions Taken for Misconduct Related to Time and Attendance Fraud, Fiscal Years 2015–2019

Actions taken for Misconduct	Bureau of Engraving and Printing^a	Bureau of the Fiscal Service	Financial Crimes Enforcement Network	Internal Revenue Service	U.S. Mint
Suspension	1	24	0	6	8
Reprimand	0	26	0	4	7
Removal	0	10	0	4	5
Probationary termination	0	0	0	1	0
Admonishment	0	0	0	1	0
Termination	0	0	0	0	2
Letter of counseling	0	0	1	0	0
Proposed removal	0	0	1	0	0

Source: Department of the Treasury. | GAO-20-640

Note: If a component did not report taking a listed action, we listed it as "0."

^aThe penalties reported by the Bureau of Engraving and Printing do not add up to the total number of actions reported in its misconduct data.

Appendix III: Comments from the Social Security Administration



August 7, 2020

Ms. Chelsa Gurkin
Director, International Affairs and Trade
United States Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Ms. Gurkin,

Thank you for the opportunity to review the draft report, "TIME AND ATTENDANCE: Agencies Generally Compiled Data on Misconduct, and Reported Using Various Internal Controls for Monitoring" (GAO-20-640). We have no comments.

If you have any questions, please contact me at (410) 965-9704. Your staff may contact Trae Sommer, Director of the Audit Liaison Staff, at (410) 965-9102.

Sincerely,

A handwritten signature in blue ink that reads 'Stephanie Hall'.

Stephanie Hall
Chief of Staff

SOCIAL SECURITY ADMINISTRATION BALTIMORE, MD 21235-0001

Text of Appendix III: Comments from the Social Security
Administration

Page 1

Social Security
Office of the Commissioner

August 7, 2020

Ms. Chelsa Gurkin
Director, International Affairs and Trade
United States Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Ms. Gurkin,

Thank you for the opportunity to review the draft report, "TIME AND ATTENDANCE:
Agencies Generally Compiled Data on Misconduct, and Reported Using Various
Internal Controls for Monitoring" (GAO-20-640). We have no comments.

If you have any questions, please contact me at (410) 965-9704. Your staff may
contact Trae Sommer, Director of the Audit Liaison Staff, at (410) 965-9102.

Sincerely,

Stephanie Hall
Chief of Staff

SOCIAL SECURITY ADMINISTRATION
BALTIMORE, MD 21235-0001

Appendix IV: Comments from the U.S. Agency for International Development



Thomas Melito
Managing Director, International Affairs and Trade
U.S. Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20226

Re: *TIME AND ATTENDANCE: Agencies Generally Compiled Data on Misconduct and Reported Using Various Internal Controls for Monitoring* (Engagement Code 103887)

Dear Mr. Melito:

I am pleased to provide the formal response of the U.S. Agency for International Development (USAID) to the draft report produced by the U.S. Government Accountability Office (GAO) titled, *TIME AND ATTENDANCE: Agencies Generally Compiled Data on Misconduct and Reported Using Various Internal Controls for Monitoring* (GAO-20-640).

USAID is committed to addressing misconduct in the reporting of time and attendance by our employees. Through regular audits of leave balances, targeted inquiries into turnstile access, and Standard Operating Procedures for supervisors to follow to address potential fraud early, USAID is well-postured to correct any such misconduct in a prompt and timely manner. Misconduct in the reporting of time and attendance is one of the most-common causes for disciplinary action at USAID, and represents approximately one-third of all the removals of our employees in the past decade.

I am transmitting this letter from USAID for inclusion in the GAO's final report. Thank you for the opportunity to respond to the draft report, and for the courtesies extended by your staff while conducting this engagement. We appreciate the opportunity to participate in the complete and thorough evaluation of our efforts to eliminate misconduct in the reporting of time and attendance.

Sincerely,

Frederick M. Nutt

Frederick Nutt
Assistant Administrator
Bureau for Management

08/11/2020

Text of Appendix IV: Comments from the U.S. Agency for
International Development

Page 1

USAID From the American People

Thomas Melito
Managing Director, International Affairs and Trade
U.S. Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20226

Re: TIME AND ATTENDANCE: Agencies Generally Compiled Data on
Misconduct and Reported Using Various Internal Controls for Monitoring
(Engagement Code 103887)

Dear Mr. Melito:

I am pleased to provide the formal response of the U.S. Agency for International Development (USAID) to the draft report produced by the U.S. Government Accountability Office (GAO) titled, TIME AND ATTENDANCE: Agencies Generally Compiled Data on Misconduct and Reported Using Various Internal Controls for Monitoring (GAO-20-640).

USAID is committed to addressing misconduct in the reporting of time and attendance by our employees. Through regular audits of leave balances, targeted inquiries into turnstile access, and Standard Operating Procedures for supervisors to follow to address potential fraud early, USAID is well-postured to correct any such misconduct in a prompt and timely manner.

Misconduct in the reporting of time and attendance is one of the most-common causes for disciplinary action at USAID, and represents approximately one-third of all the removals of our employees in the past decade.

I am transmitting this letter from USAID for inclusion in the GAO's final report. Thank you for the opportunity to respond to the draft report, and for the courtesies extended by your staff while conducting this engagement. We appreciate the opportunity to participate in the complete and thorough evaluation of our efforts to eliminate misconduct in the reporting of time and attendance.

Sincerely,

Frederick Nutt
Assistant Administrator Bureau for Management

Appendix V: GAO Contacts and Staff Acknowledgments

GAO Contacts

Chelsa Kenney Gurkin, (202) 512-2964, or gurkinc@gao.gov.

Vijay A. D'Souza, (202) 512-6240, or dsouzav@gao.gov.

Staff Acknowledgments

In addition to the contact named above, Mona Sehgal (Assistant Director), Sabine Paul (Assistant Director), Kara Marshall (Analyst in Charge), Rosanna Guerrero (Analyst in Charge), Sejal Sheth and Lisa G. Shibata made key contributions to this report. Howard Arp, William Johnson, Yvonne Jones, Steven Putansu, Rebecca Shea, and Alex Welsh provided technical assistance.

GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through our website. Each weekday afternoon, GAO posts on its [website](#) newly released reports, testimony, and correspondence. You can also [subscribe](#) to GAO's email updates to receive notification of newly posted products.

Order by Phone

The price of each GAO publication reflects GAO's actual cost of production and distribution and depends on the number of pages in the publication and whether the publication is printed in color or black and white. Pricing and ordering information is posted on GAO's website, <https://www.gao.gov/ordering.htm>.

Place orders by calling (202) 512-6000, toll free (866) 801-7077, or TDD (202) 512-2537.

Orders may be paid for using American Express, Discover Card, MasterCard, Visa, check, or money order. Call for additional information.

Connect with GAO

Connect with GAO on [Facebook](#), [Flickr](#), [Twitter](#), and [YouTube](#).
Subscribe to our [RSS Feeds](#) or [Email Updates](#). Listen to our [Podcasts](#).
Visit GAO on the web at <https://www.gao.gov>.

To Report Fraud, Waste, and Abuse in Federal Programs

Contact FraudNet:

Website: <https://www.gao.gov/fraudnet/fraudnet.htm>

Automated answering system: (800) 424-5454 or (202) 512-7700

Congressional Relations

Orice Williams Brown, Managing Director, WilliamsO@gao.gov, (202) 512-4400,
U.S. Government Accountability Office, 441 G Street NW, Room 7125,
Washington, DC 20548

Public Affairs

Chuck Young, Managing Director, youngc1@gao.gov, (202) 512-4800
U.S. Government Accountability Office, 441 G Street NW, Room 7149
Washington, DC 20548

Strategic Planning and External Liaison

James-Christian Blockwood, Managing Director, spel@gao.gov, (202) 512-4707
U.S. Government Accountability Office, 441 G Street NW, Room 7814,
Washington, DC 20548



Please Print on Recycled Paper.