



Office of Inspector General

# SEMIANNUAL Report to Congress

April 1, 2023, through September 30, 2023



Source: GAO. | OIG-24-1SP

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# MESSAGE FROM THE INSPECTOR GENERAL

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This report is being submitted in accordance with Section 5 of the Government Accountability Office (GAO) Act of 2008 and summarizes the activities of the Office of Inspector General (OIG) for the second half of fiscal year 2023.

This is a critical time for the OIG as we seek amendments to GAO OIG's enacting legislation to improve transparency and enhance the OIG's independence. GAO OIG's legislative priorities seek parity with other federal Inspectors General. These changes include prior Congressional notification upon removal, transfer, or placement of the Inspector General on non-duty status; greater budget independence; codifying the existing practice of having separate OIG counsel; and removing a statutory limitation on staff pay to align with OIGs under the Inspector General Act of 1978, as amended. The proposed legislative changes will support us as we continue to provide efficient and effective oversight of GAO programs and operations. GAO and the Council of the Inspectors General on Integrity and Efficiency leadership are familiar with and supportive of our efforts to modify GAO OIG's establishing legislation. Congress is considering these amendments which are titled the GAO Inspector General Parity Act (S.1510 and H.R.5300).

During this reporting period, the OIG issued one performance audit and continued work on two additional performance audits. We closed eight investigations and opened 13 new investigations. We processed 44 substantive hotline complaints, many of which were referred to other OIGs for action because the matters involved were within their jurisdictions. We remained active in the GAO and OIG communities by briefing new GAO employees on our audit and investigative missions, briefing GAO teams on the work of the GAO OIG, and participating in Council of the Inspectors General on Integrity and Efficiency committees and working groups. Details of these activities and other OIG accomplishments are provided in this report.

We post our audit, evaluation, and semiannual reports at [Inspector General | U.S. GAO and oversight.gov](#), a publicly accessible, text-searchable website containing the latest reports from contributing federal Inspectors General. OIG reports are also included in the listing of available updates on GAO's [GovDelivery subscription page](#). We continue to look for innovative ways to enhance our oversight efforts and increase the transparency of our work.

I would like to thank the OIG staff for their continued dedication to our mission and their professionalism. Thank you also to the Comptroller General, the Executive Committee, and GAO managers and staff for their continued cooperation and attention to the important work of our office.



L. Nancy Birnbaum  
Inspector General

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# INTRODUCTION

## The U.S. Government Accountability Office

The U.S. Government Accountability Office (GAO) is an independent agency in the legislative branch of the federal government. Since 1921, GAO has supported Congress in meeting its constitutional responsibilities, helped to improve the performance of federal agencies and programs, and ensured the accountability of the federal government for the benefit of the American people.

GAO conducts its oversight mission by (1) auditing agency operations to determine whether federal funds are being spent efficiently and effectively, (2) investigating allegations of illegal and improper activities, (3) reporting on how well government programs and policies are meeting objectives, (4) performing policy analyses and outlining options for congressional consideration, and (5) issuing legal decisions and opinions such as bid protest rulings and reports on agency rules.

## GAO's Office of Inspector General

Established as a statutory office by the Government Accountability Office Act of 2008, GAO's Office of Inspector General (OIG) independently conducts audits, evaluations, and other reviews of GAO programs and operations and investigates allegations regarding violations of statutes, regulations, policies, or orders involving GAO employees, contractors, programs, and operations. The OIG also makes recommendations to promote economy, efficiency, and effectiveness at GAO.

GAO OIG independently operates a hotline for receipt of complaints and information about fraud, waste, abuse, and mismanagement in GAO programs and operations. Allegations may be made confidentially or anonymously, and complainants are protected from retaliation for having submitted information to the OIG. Employees or contractors may submit complaints or allegations of wrongdoing via the OIG web-based [hotline](#) or by phone to (866) 680-7963.

# OIG STRATEGIC PUBLICATIONS

## Strategic Plan

The [OIG's Strategic Plan for Fiscal Years 2021–2025](#) identifies the vision, goals, objectives, and strategies for its activities to promote efficiency, effectiveness, and integrity in GAO programs and operations. As discussed in the plan, the OIG supports GAO and Congress by helping to protect GAO programs and operations from fraud, waste, and abuse. Independent and objective audits, evaluations, and investigations are the primary methods for assessing GAO programs and operations and identifying risks to GAO, enhancing its ability to protect and maximize its resources.

## Biennial Work Plan

The OIG's biennial work plan provides a brief description of audits and other work planned for a 2-year period and an overview of the OIG's investigations program. The plan also sets forth the OIG's formal strategy for identifying priority issues and managing its workload and resources. On March 31, 2023, the OIG transmitted its Biennial Work Plan for Fiscal Years 2023–2024 to GAO management.

## Top Management Challenges Facing GAO

Each year, the OIG is asked to comment on management's assessment and reporting of GAO's challenges for its annual [Performance and Accountability Report](#). OIG work has improved the reporting and transparency of GAO's management challenges and led to ongoing efforts to mitigate the risk these challenges pose to GAO's efficiency and effectiveness in carrying out its mission. Progress in addressing these challenges is monitored through the agency's annual performance and accountability process and OIG audits and evaluations. For fiscal year 2023, GAO identified management challenges in:

- managing a quality workforce,
- managing IT systems, and
- improving the efficiency of engagements.

The OIG will continue to monitor these challenges as the agency navigates its future operating posture.

## Semiannual Reports to Congress

The GAO OIG's [Semiannual Reports to Congress](#) describe the OIG's work on identifying problems, remedies, and investigative outcomes relating to the administration of GAO programs and operations that were disclosed during the reporting period. This semiannual report presents the results of the OIG's work for the period from April 1, 2023, through September 30, 2023, including product and performance statistics for audits and investigations. It also provides an overview of each audit report and report of investigation issued, investigation closed, and, as appropriate, actions GAO took or initiated in response to those reports, as of the end of the reporting period.

# OIG INDEPENDENCE

GAO and OIG management work cooperatively in fulfilling the role of the OIG. There were no attempts by GAO to resist, object to, or interfere with OIG independence or delay OIG access to information during the reporting period.



Source: GAO. | OIG-24-1SP

# AUDITS

Most OIG audit and evaluation reports are fully disclosed to the public. When necessary due to the sensitive nature of issues identified, the OIG makes summary pages of reports publicly available, such as the report on GAO's implementation of the Federal Information Security Modernization Act of 2014.

## Audit Activities

From April 1, 2023, to September 30, 2023, the OIG issued one audit report: *Information Technology Assets: Risk Assessment Actions Could Inform Inventory Activities during Future Disruptions*, [OIG-23-1](#) (June 8, 2023). In this report, the OIG found that GAO's shift to a remote operating posture during the pandemic affected its full annual inventory of accountable property. Accountable property includes IT assets that may process and store sensitive or classified information, such as laptops, printers, and scanners. The OIG found GAO cancelled all inventory activities in fiscal year 2020. Then, in fiscal year 2021, GAO inventoried a small sample of IT assets. However, GAO did not reflect these changes in its fraud risk profile and lacked documentation to support the inventory activities undertaken. The OIG made two recommendations to ensure that GAO updates its fraud risk profile when circumstances change and uses risk-based assessments to inform future inventory activities. As of September 30, 2023, the GAO was taking steps to address the OIG's recommendations, and the two recommendations remained open.

In July, the OIG terminated its audit assessing the accuracy and completeness of GAO's cloud inventory and the security of its cloud migration strategy. The OIG continued work on audits assessing the adequacy of internal controls for flexibly-priced contracts and GAO's efforts to address data egress fees in procuring and managing cloud services.

## OIG Audit Recommendation Status

At the end of the prior reporting period (March 31, 2023), there was one open recommendation from an OIG audit report: *Employee Debt: Opportunities Exist to Improve Timely Collection*, [OIG-22-1](#) (March 1, 2022). The OIG recommended the Comptroller General direct the Chief Human Capital Officer to establish a process and document procedures to carry out GAO's debt collection policy with respect to voluntary repayment agreements, to include requests for and documentation to verify the employee's ability to pay. The Human Capital Office finalized a process with respect to voluntary repayment agreements, including requests for information and documentation to verify the employee's ability to pay; the OIG closed this recommendation.



Source: GAO. | OIG-24-1SP

# INVESTIGATIONS

The OIG contractor-run [hotline](#) is one of the primary sources of complaints and information for identifying suspected fraud and other problems, abuses, and deficiencies relating to the administration of GAO’s programs and operations. During this 6-month reporting period, the OIG processed 44 substantive hotline complaints; an additional 73 hotline complaints lacked sufficient information or an appropriate basis for opening an investigation. Table 1 summarizes the hotline complaints during the reporting period.

**Table 1: Summary of OIG Hotline Complaints from April 1, 2023, through September 30, 2023**

Status	Number of Hotline Complaints
<b>Open</b> throughout the reporting period <sup>a</sup>	127
<b>Substantive Hotline Complaints</b>	44
<i>Converted to investigations</i>	13
<i>Closed</i>	
<i>Referred to other GAO offices<sup>b</sup></i>	11
<i>Referred to GAO OIG Office of Audit</i>	1
<i>Referred to the appropriate agency’s OIG or other law enforcement offices</i>	19
<b>Closed</b> due to insufficient information or no basis for opening an investigation <sup>c</sup>	73
<b>Open</b> at the end of the reporting period	10

Source: OIG hotline complaint statistics as of September 30, 2023. | OIG-24-1SP

<sup>a</sup> Two hotline complaints were open as of April 1, 2023; an additional 125 complaints were received.

<sup>b</sup> The OIG provided FraudNet with a copy of each referral made to federal entities outside of GAO.

<sup>c</sup> These complaints generally did not involve GAO programs and operations and lacked either sufficient merit to warrant direct OIG referral to another federal or state organization or actionable information.

From April 1, 2023, to September 30, 2023, the OIG had 42 investigations open; 29 were open at the beginning of the reporting period and 13 were initiated during the period. The OIG closed eight investigations during the reporting period; 34 investigations remained open at the end of the period. Of these, one was self-initiated. In addition, the OIG issued three reports of investigation during the period. Table 2 summarizes the investigations during the reporting period. No investigations were accepted for prosecution during this period, and no indictments were issued.

**Table 2: Summary of OIG Investigations from April 1, 2023, through September 30, 2023**

Status	Number of Investigations
<b>Open at the beginning</b> of the reporting period	29
<b>Initiated</b> during the reporting period	13
<b>Closed</b> during the reporting period	8
<b>Open at the end</b> of the period	34

Source: OIG Investigation statistics as of September 30, 2023. | OIG-24-1SP



## Significant Investigative Efforts

### **Mishandling of GAO Sensitive Information**

On June 16, 2022, the OIG received two referrals from GAO involving employees who failed to safeguard sensitive information. On March 30, 2023, the OIG issued a report of investigation involving one employee who sent numerous documents containing sensitive information, including personally identifiable information for over 1,000 individuals, to and from their personal email accounts without password protection. As a result of the information provided, management verbally admonished the employee on May 11, 2023. The OIG closed the case on July 6, 2023. (G-22-0356-O)

On August 4, 2023, the OIG issued a report of investigation regarding the second employee, who sent numerous documents containing sensitive information to their personal email account without password protection. The case remains open pending a response from GAO. (G-22-0442-O)

### **Inappropriate Use of Administrative Leave**

As reported during the prior period, the OIG initiated a proactive inquiry to determine if GAO employees were using administrative leave in the same pay period as they claimed that they earned overtime, compensatory time, or credit hours. The OIG found this was occurring across GAO, including for senior government employees, and issued a memorandum to management in the prior period highlighting this matter, so the agency could assess these employees' time charges and make corrections if necessary. On April 17, 2023, GAO notified the OIG that it planned to correct the timecards for those employees who claimed credit hours worked in the same pay period they used annual leave; GAO determined timecard corrections were either not warranted or not worth pursuing for the remaining employees. The OIG closed the case on July 6, 2023. (G-22-0024-S)

### **Bid Protest Management**

As reported during the prior period, the OIG received a referral from GAO regarding an allegation concerning the agency's handling of a bid protest. During the preliminary investigation, the OIG identified outdated or duplicative information and invalid links on GAO's bid protest website and issued a memorandum to management outlining the issues. GAO responded on March 29, 2023, advising the OIG of planned updates to GAO's bid protest pages including reference materials, guidance, and related links. GAO later confirmed it revised the information on its website; the OIG closed the case on August 1, 2023. (G-23-0081-HL-P)

### **Alleged Nepotism**

As reported during the prior period, the OIG investigated an anonymous complaint regarding the hiring of a relative of a current GAO senior government employee and found no evidence that the new employee, the senior government employee, or GAO management violated the GAO order regarding the employment of relatives. However, the OIG issued a memorandum to GAO management to highlight potential future concerns and facilitate continued compliance with the GAO order. On May 2, 2023, GAO stated it planned to revise the relevant order to ensure consistency with applicable federal regulations. The OIG closed the case on September 7, 2023. (G-22-0420-HL-P)

### **Inappropriate Limited Personal Use of Information Technology Resources**

On June 8, 2022, the OIG opened an investigation because, during another investigation, the OIG identified an employee who sent emails inviting other GAO employees to poker games for money. The investigation uncovered more than 1,000 emails over 12 years that the employee sent from their GAO email account relating to organizing and hosting poker games for money at the employee's residence outside of business hours. On July 12, 2023, the OIG issued a report of investigation, which included evidence that the employee sent email invitations to these events to the official email accounts of more

than 100 GAO employees. Management verbally counseled the employee on August 30, 2023. The OIG closed the case on September 7, 2023. (G-22-0350-O)

**Time and Attendance Fraud**

On March 13, 2023, the OIG opened an investigation based on a referral from GAO that identified potential timecard fraud by a GAO employee. On June 12, 2023, the OIG issued a report of investigation, which included evidence that the employee falsely claimed over 100 work hours and did not log in to the GAO network on at least five days that they claimed to be working. The case was open as of September 30, 2023. (G-23-0101-O)

**Other Investigations**

In addition to the five significant investigations identified as closed above, the OIG closed three investigations during the period that were not previously disclosed publicly. A summary of those investigations is provided in Table 3.

**Table 3: Closed Investigations Not Previously Disclosed Publicly, April 1, 2023, through September 30, 2023**

Subject	Results	Completed
On October 21, 2021, the OIG initiated a proactive inquiry to determine whether employees of GAO’s on-site childcare facility inappropriately received salary reimbursement payments from GAO during the COVID-19 pandemic. (G-22-0025-S)	The OIG found no evidence of fraudulent claims made by the childcare facility or its employees. As a result, the OIG closed this inquiry.	April 12, 2023
On June 21, 2023, the OIG opened a preliminary investigation based on information that a GAO employee improperly handled personally identifiable information. (G-23-0158-HL-P)	The OIG determined that this was a one-time incident that the employee self-reported. Since GAO management was already aware of the incident and corrective action had been taken to prevent future incidents, the OIG closed this investigation.	September 1, 2023
On July 19, 2023, based on the arrest of a GAO employee, the OIG initiated a preliminary investigation to determine whether the employee had used the GAO network to further their alleged criminal activity. (G-23-0187-HL-P)	The OIG uncovered no evidence that the GAO network was used to further the employee’s alleged criminal activity. GAO terminated the employee on July 28, 2023, and the OIG closed this investigation.	September 5, 2023

Source: OIG investigative activity statistics as of September 30, 2023. | OIG-24-1SP



Source: GAO. | OIG-24-1SP

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# OTHER ACTIVITIES

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## Activities within GAO

OIG leadership continued its discussion of the duties, responsibilities, and authorities of the OIG with participants in GAO's new employee orientation program. In addition, OIG leadership met with senior staff, conducted briefings for OIG teams, attended weekly senior staff meetings, and met periodically with the Audit Advisory Committee and staff of the independent public accounting firm conducting GAO's annual financial statement audit.

## Activities within the Inspector General Community

The OIG continued to participate in the Council of the Inspectors General on Integrity and Efficiency (CIGIE), a council of federal Inspectors General that promotes collaboration on issues of economy, efficiency, and effectiveness that transcend individual agencies. As part of its statutory responsibilities, the OIG reviewed and provided comments through CIGIE pertaining to legislative proposals regarding the Inspector General community, including priorities of interest to legislative branch Inspectors General.

OIG leadership regularly participated in monthly CIGIE meetings and periodic meetings with other OIGs designed to address issues common to smaller OIGs and legislative branch OIGs. OIG leadership also participated in periodic CIGIE Audit and Investigations Committee meetings, CIGIE Legislation Committee meetings, and Council of Counsels to Inspectors General meetings.

## Requests for Information

During the current reporting period, the OIG processed one request for information under GAO's access regulation, 4 C.F.R. Part 81.

## Whistleblower Retaliation

GAO employees are protected from prohibited personnel practices, including retaliation for whistleblowing. The OIG will review and refer allegations of whistleblower retaliation to the appropriate entities, where applicable. The OIG will not disclose the identity of an employee who files a complaint with OIG without the consent of the employee or unless the Inspector General determines that disclosure is unavoidable during the course of the investigation.



Source: GAO. | OIG-24-1SP

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## OIG Mission

Our mission is to protect GAO’s integrity through audits, investigations, and other work focused on promoting economy, efficiency, and effectiveness in GAO programs and operations, and to keep the Comptroller General and Congress informed of fraud and other serious problems relating to the administration of GAO programs and operations.

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## Reporting Fraud, Waste, and Abuse in GAO’s Programs and Operations

To report fraud and other serious problems, abuses, and deficiencies relating to GAO programs and operations, you can provide the information to our contractor-run hotline in one of the following ways (anonymously, if you choose):

- Call toll-free (866) 680-7963 to speak with a hotline specialist, available 24 hours a day, 7 days a week.
- Visit the GAO OIG [hotline](#).

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## Obtaining Copies of OIG Reports and Testimonies

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