

Office of Inspector General
Fiscal Year (FY) 2025 Budget Estimates

Office of the Inspector General (\$ in thousands)

	<u>FY 2023 Actuals</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2024 Estimate</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2025 Estimate</u>
OIG	487,616	20,481	15,320	523,417	13,973	7,953	545,343

- FY 2023 includes \$14,135 thousand in OOC Actuals. FY 2024 includes \$23,202 thousand in OOC Estimate. FY 2025 includes \$23,704 thousand for the OOC Budget Estimate. OOC were financed previously with former Overseas Contingency Operations (OCO) funding.
- This DoD component is a budget line item in the Operation and Maintenance Defense-wide account and therefore, the FY 2024 Estimate does not reflect a CR adjustment. The overall Operation and Maintenance, Defense-wide account CR adjustment for FY 2024 may be found in the O-1 document.

I. Description of Operations Financed:

The Department of Defense (DoD) Office of the Inspector General (OIG) promotes the economy, efficiency, and effectiveness of DoD programs and operations, and the integrity of its workforce, through impactful audits, evaluations, investigations, and reviews. The DoD OIG audits, investigates, and evaluates the programs and operations of the DoD, operates the DoD Hotline, Contractor Disclosure, Whistleblower Protection programs, and produces quarterly reports on overseas contingency operations for which the DoD IG has been designated the Lead IG. The DoD OIG executes its mission and responsibilities through the activities of six oversight components, the Office of General Counsel, and various mission support functions.

The aggregate FY 2025 budget request for the operations of the DoD OIG is \$545.343 million: \$542.107 million Operations and Maintenance (BA 01), \$1.900 million Research, Development Test and Evaluation (BA 02), and \$1.336 million Procurement (BA 03). Details of funding for the DoD OIG Cyber budget is provided in a separate exhibit.

The DoD OIG programs are as follows:

1. **Audit:** Audit conducts independent audits of DoD operations, systems, program, and functions.
2. **Defense Criminal Investigative Service (DCIS):** DCIS conducts criminal investigations related to DoD programs and operations, focusing on procurement fraud, public corruption, product substitution, financial crimes, health care fraud, illegal technology transfer, cyber-crimes, and computer network intrusions.
3. **Administrative Investigations (AI):** AI investigates and oversees DoD Components' investigations of allegations of misconduct against senior DoD officials and allegations of whistleblower reprisal and restriction from communication with an IG or member of Congress. AI performs the DoD Whistleblower Protection Coordinator function, which is responsible for educating DoD employees on whistleblower

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I. Description of Operations Financed: (Cont.)

statutory prohibitions and protections. AI also manages the DoD Hotline for confidential reporting of fraud, waste, and abuse and for detecting and preventing threats and danger to the public health and safety related to DoD programs, operations, and employees.

4. **Evaluations (EVAL):** EVAL conducts independent reviews of DoD operations and activities.
5. **Office of General Counsel (OGC):** OGC provides independent legal advice on matters relating to the missions, functions, responsibilities, and duties of the DoD OIG. OGC also operates the DoD OIG subpoena and Freedom of Information Act programs.
6. **Diversity and Inclusion and Extremism in the Military (DIEM):** DIEM is responsible for oversight of policies, programs, systems, and processes regarding diversity and inclusion in the DoD, and the prevention of and response to supremacist, extremist, and criminal gang activity of a member of the Armed Forces.
7. **Overseas Operations (OO):** OO coordinates comprehensive joint oversight and reporting on designated overseas contingency operations by the DoD OIG and other Federal OIGs, in fulfillment of the DoD IG's Lead Inspector General responsibilities.
8. **Mission Support Team (MST):** MST provides essential support services to the DoD OIG enterprise, both at DoD OIG headquarters and at over 50 field offices worldwide. These services include strategic planning, human capital management, financial management, acquisition support, logistics services, information management and information technology support, security management, enterprise risk management, data analytics support, and correspondence management. MST also operates the Defense Case Activity Tracking System–Enterprise (D-CATSe) Program Management Office (PMO) aimed at establishing and sustaining a single DoD-wide system for the management of administrative investigation information, and the Criminal Investigative Management System (CRIMS) PMO that supports the criminal investigation case management system used by DCIS.

II. Force Structure Summary:

N/A

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III. Financial Summary (\$ in Thousands):

	FY 2023 <u>Actuals</u>	Budget <u>Request</u>	FY 2024		Current <u>Estimate</u>	FY 2025 <u>Estimate</u>
			<u>Congressional Action</u>			
			<u>Amount</u>	<u>Percent</u>		
<u>A. BA Subactivities</u>						
1. Audit	\$100,388	\$105,948	\$0	0.00%	\$105,948	\$113,772
2. Defense Criminal Investigative Service/ Investigations	\$113,386	\$115,766	\$0	0.00%	\$115,766	\$118,005
3. Administrative Investigations	\$31,475	\$35,092	\$0	0.00%	\$35,092	\$37,081
4. Evaluations	\$41,874	\$50,992	\$0	0.00%	\$50,992	\$51,812
5. Diversity and Inclusion and Extremism in the Military	\$4,822	\$4,327	\$0	0.00%	\$4,327	\$4,562
6. Mission Support	\$181,536	\$188,090	\$0	0.00%	\$188,090	\$196,407
7. Overseas Operations	\$14,135	\$23,202	\$0	0.00%	\$23,202	\$23,704
Total	\$487,616	\$523,417	\$0	0.00%	\$523,417	\$545,343

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III. Financial Summary (\$ in Thousands): (Cont.)

<u>B. Reconciliation Summary</u>	<u>Change</u>	<u>Change</u>
	<u>FY 2024/FY 2024</u>	<u>FY 2024/FY 2025</u>
BASELINE FUNDING	\$523,417	\$523,417
Congressional Adjustments (Distributed)	0	
Congressional Adjustments (Undistributed)	0	
Adjustments to Meet Congressional Intent	0	
Congressional Adjustments (General Provisions)	0	
Fact-of-Life Changes (2024 to 2024 Only)	0	
SUBTOTAL BASELINE FUNDING	523,417	
Supplemental	0	
Reprogrammings	0	
Price Changes		13,973
Functional Transfers		0
Program Changes		7,953
CURRENT ESTIMATE	523,417	545,343
Less: Supplemental	0	
NORMALIZED CURRENT ESTIMATE	\$523,417	\$545,343

Overseas Operations Costs

<u>Summary of Operation</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY2025</u>
	<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
Operation Enduring Sentinel (OES)	\$0	\$0	\$0
Operation Inherent Resolve (OIR)	\$14,135	\$23,202	\$23,704
European Deterrence Initiative (EDI)		\$0	\$0
<u>Other Theater Requirements and Related Missions</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Overseas Operations Costs Total	\$14,135	\$23,202	\$23,704

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III. Financial Summary (\$ in Thousands): (Cont.)

FY 2024 President's Budget Request (Amended, if applicable)	\$523,417
1. Congressional Adjustments	\$0
a) Distributed Adjustments	\$0
b) Undistributed Adjustments	\$0
c) Adjustments to Meet Congressional Intent	\$0
d) General Provisions	\$0
2. Supplemental Appropriations	\$0
a) Supplemental Funding	\$0
3. Fact-of-Life Changes	\$0
a) Functional Transfers	\$0
b) Technical Adjustments	\$0
c) Emergent Requirements	\$0
FY 2024 Baseline Funding	\$523,417
4. Reprogrammings (Requiring 1415 Actions)	\$0
a) Increases	\$0
b) Decreases	\$0

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III. Financial Summary (\$ in Thousands): (Cont.)

Revised FY 2024 Estimate	\$523,417
5. Less: Item 2, Supplemental Appropriation and Item 4, Reprogrammings.....	\$0
a) Less: Supplemental Funding.....	\$0
FY 2024 Normalized Current Estimate	\$523,417
6. Price Change.....	\$13,973
7. Functional Transfers.....	\$0
a) Transfers In	\$0
b) Transfers Out	\$0
8. Program Increases	\$7,953
a) Annualization of New FY 2024 Program	\$0
b) One-Time FY 2025 Increases	\$0
c) Program Growth in FY 2025.....	\$7,953
1) Council of Inspector General on Integrity and Efficiency.....	\$582
To support the fee percentage increase required by the Council of Inspectors General on Integrity and Efficiency (CIGIE). The OIG contributes towards the overhead cost for CIGIE, as required by the Inspector General Act. (FY 2024 Baseline: \$523,417 thousand)	
2) IT Program Increase.....	\$6,377
The program increase is attributed an increase in IT contractor support and IT modernization efforts, which includes transitioning to a cloud environment and a DoD trusted security framework, installing and	

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III. Financial Summary (\$ in Thousands): (Cont.)

continuous deployment of Microsoft Office 365 on NIPR/SIPR, and implementing a new IT service management tool.
(FY 2024 Baseline: \$52,326 thousand)

3) Office of Security Cost Increase\$994
The security support cost increase is due to a new method of assessing security fees to recover the cost of protecting federal and commercial leased buildings imposed by DHS.
(FY 2024 Baseline: \$3,744 thousand)

9. Program Decreases	\$0
a) Annualization of FY 2024 Program Decreases	\$0
b) One-Time FY 2024 Increases	\$0
c) Program Decreases in FY 2025	\$0
FY 2025 Budget Request	\$545,343

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IV. Performance Criteria and Evaluation Summary:

Audit: Audit conducts independent audits of DoD operations, systems, program, and functions. In the Audit Component:

- a. The Acquisition, Contracting, and Sustainment (ACS) Directorate performs audits of weapons systems and information technology acquisitions, spare parts procurement and pricing, and management of Government-owned inventory. ACS also performs audits of the DoD’s ability to provide comprehensive and cost-effective health care.
- b. The Cyberspace Operations (CSO) Directorate performs audits of offensive and defensive cyber operations, and of security controls that protect the DoD information networks.
- c. The Financial Management and Reporting (FMR) Directorate performs audits and attestations and conducts oversight of DoD financial statement audits. FMR also tracks and evaluates the status of the DoD’s efforts to address corrective actions resulting from the prior year’s financial statement audits.
- d. The Readiness and Global Operations (RGO) Directorate performs audits across the DoD, including the 11 Combatant Commands, to help ensure that military forces are appropriately manned, trained, equipped, and sustained for their assigned missions.
- e. The Follow-up Division determines whether DoD management implemented DoD OIG recommendations. As of March 31, 2022, there were 1,425 open recommendations. The Follow-up Division regularly meets with senior DoD officials to discuss open recommendations and the actions required to close them.

FY 2023 ACTUALS		FY 2024 ESTIMATE		FY 2025 REQUEST	
\$100,388K	603 FTE	\$105,948K	632 FTE	\$113,772K	632 FTE

Summary of Performance:

FY 2023

- Audit issued 76 oversight products (64 reports and 12 management advisories) with over 249 recommendations in FY 2023. These reports identified \$1.7 billion in questioned costs and \$33.9 million in funds that could be put to better use.
- Audit initiated projects providing oversight of the DoD’s support to Ukraine and issued reports related to the effectiveness of the DoD’s training of Ukrainian armed forces and issues that led to unanticipated maintenance, repairs, and extended lead times that affected the readiness of military equipment selected to support the Ukrainian Armed Forces.

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IV. Performance Criteria and Evaluation Summary:

- Audit provided Congressional briefings addressing oversight of DoD cybersecurity, privatized housing, the audit of DoD financial statements, and price reasonableness. Audit conducted projects that addressed Congressional mandates, including: the Chief Financial Officers Act, Federal Information Security Management Act, Payment Integrity Information Act, and the DoD's implementation and oversight of the Controlled Unclassified Information Program.
- Audit completed its fifth audit of the DoD financial statements. The DoD OIG issued a disclaimer of opinion on the DoD Agency-wide financial statements and identified 28 material weaknesses. Independent public accounting firms overseen by the DoD OIG, identified 139 material weaknesses at the component level. The DoD OIG, and the independent public accounting firms overseen by the DoD OIG, closed 633 prior-year notices of findings and recommendations (NFRs), reissued 2,505 NFRs, and issued 479 new NFRs for issues identified during this year's audit.
- Audit issued its seventh compendium of open recommendations and, to improve transparency, listed the recommendations on the DoD OIG's website. The 2023 Compendium reported trends and statistics related to the 1,354 recommendations open as of March 31, 2023.

FY 2024

- Audit will continue focusing on oversight that addresses the DoD's top priorities; areas related to what the DoD OIG believes are the top management and performance challenges facing the DoD; oversight of assistance to Ukraine, and areas identified through outreach with senior DoD officials, Congressional requests, Hotline tips, and DoD OIG expertise. Focus areas will include:
 - the DoD's efforts to support Ukraine during its conflict with Russia.
 - operations in the USINDOPACOM area of responsibility.
 - policies, programs, systems, and processes related to personnel readiness, including diversity and inclusion in the DoD and the prevention of and response to extremist, and criminal gang activity in the military.
 - the DoD's Military Health System and health care; contracting; price reasonableness; acquisition, repair, and maintenance of weapon systems; DoD supply chain issues.
 - DoD global operations; cyberspace operations; securing DoD systems, networks, and data.
 - DoD financial management and budgeting; building resiliency to environmental stresses; and missile defense capabilities.
- Audit will provide oversight of independent public accounting firms performing DoD Component-level financial statement audits and conduct the DoD's agency-wide financial statements audit. Audit will also provide recommendations to standardize DoD business processes and improve the quality of financial data and reliability of the DoD's systems. In addition, Audit will follow up on outstanding Notices of Findings and Recommendations from the financial statement audits to determine if corrective actions have been implemented.

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IV. Performance Criteria and Evaluation Summary:

FY 2025

- Audit will continue to conduct the DoD's agency-wide financial statement audit and oversee independent public accounting firms auditing DoD Component-level financial statements and related systems. Audit will expand its performance audit work to key areas of weakness within DoD financial management to provide transparency to the underlying issues and make meaningful recommendations for improvement.
- Audit will continue to conduct oversight of DoD acquisition; sustainment; health care; cyberspace operations; military and program readiness; global operations, including a concentration on the USINDOPACOM area of responsibility; policies, programs, systems, and processes regarding diversity and inclusion in the DoD and the prevention of and response to extremist and criminal gang activity in the military; and DoD efforts to build resiliency to environmental stresses.

Performance Criteria and Evaluation Summary – Audit			
AUDIT PERFORMANCE METRICS	FY 2023	FY 2024	FY 2025
	Actual	Estimate	Estimate
Reports issued	64	95	95
Potential monetary benefits	\$1,703M	*	*
Achieved monetary benefits	\$358M	*	*

**Note: Audit does not estimate future potential and achieved monetary benefits because these amounts fluctuate significantly based on the results of audits and the implementation of corrective actions by the DoD. As a reference, Audit's 3-year average is \$835 million in identified potential monetary benefits and about \$166 million in achieved benefits. Potential monetary benefits are questioned costs or funds that could be put to better use. Questioned costs are expenditures that do not comply with legal, regulatory, or contractual requirements; are not supported by adequate documentation at the time of the audit; or are unnecessary or unreasonable. Funds that could be put to better use are funds that could be used more efficiently if DoD leadership implements audit recommendations, such as reducing expenditures, de-obligating funds, implementing operational improvements, or taking actions that will result in avoiding costs.*

Defense Criminal Investigative Service: DCIS conducts criminal investigations related to DoD programs and operations, focusing on procurement fraud, public corruption, product substitution, and financial crimes, health care fraud, illegal technology transfer, cyber-crimes, and computer network intrusions.

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IV. Performance Criteria and Evaluation Summary:

FY 2023 ACTUALS		FY 2024 ESTIMATE		FY 2025 REQUEST	
\$113,386K	442 FTE	\$115,766K	463 FTE	\$118,005K	463 FTE

Summary of Performance:

FY 2023

- DCIS recovered over \$922.9 million from investigations impacting the DoD. DCIS leveraged its asset forfeiture capabilities to return \$7.4 million to victim agencies through final orders of forfeiture and monetary judgments.
- DCIS investigations related to Operation Inherent Resolve (OIR) and Operation Enduring Sentinel (OES) have resulted in one arrest, three criminal charges, one conviction, sentencing of 141 months confinement and 36 months of probation, one debarment, and over \$1 million in monetary recoveries. DCIS closed 38 investigations and initiated 30 new investigations related to OIR and OES.
- DCIS doubled its presence in US European Command (USEUCOM) to investigate allegations of fraud, waste, and abuse associated with U.S security assistance to Ukraine. DCIS also stationed two senior criminal investigators in Poland who are dedicated to the Ukraine Response and working in conjunction with other Federal law enforcement agencies and the DoD.
- DCIS procured body-worn cameras and developed policy and training in accordance with Executive Order 14074, “Advancing Effective Accountable Policing and Criminal Justice Practices to Enhance Public Trust and Public Safety.”
- DCIS increased its presence in the U.S. Indo-Pacific Command (USINDOPACOM) area of responsibility to investigate allegations of fraud, waste, and abuse associated with the DoD’s increased funding to support the Pacific Deterrence Initiative. DCIS also hosted a USINDOPACOM Fraud Working Group in South Korea to coordinate fraud investigations with International and U.S. investigative and prosecutorial partners in the region.
- DCIS finalized formal information sharing agreement with the NATO Support and Procurement Agency to coordinate fraud, waste, and abuse investigations in furtherance of the DoD OIG’s oversight of U.S. security assistance to Ukraine.

FY 2024

- DCIS anticipates an increase of DCIS agents assigned to existing DOJ Counterintelligence Task Forces across the country who work jointly with over 50 federal partners in a robust information sharing environment to address DoD Technology protection, product substitution, healthcare fraud and other fraud, waste, and abuse activity.

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IV. Performance Criteria and Evaluation Summary:

- DCIS plans to place a criminal investigator at the U.S. Embassy in Ukraine and to formalize strategic partnerships with Ukrainian law enforcement and prosecutorial agencies to facilitate better information sharing and expedite criminal investigations related to U.S. security assistance to Ukraine.
- DCIS will host a European Fraud Working Group in Germany to coordinate fraud investigations with International and U.S. investigative and prosecutorial partners. DCIS will include Ukrainian oversight partners and emphasize investigations related to security assistance programs.
- DCIS will continue to proactively identify and investigate allegations of fraud as it relates to OIR and OES with law enforcement partners.

FY 2025

- DCIS anticipates an increase in the number of investigations and operations in FY 2025 and beyond as the DoD OIG leverages data analytics capabilities and the DoD increases budgets for the Pacific Deterrence Initiative and security assistance to Ukraine.
- DCIS will develop enhanced training to help investigators overcome emerging challenges posed by criminals who leverage technology to obfuscate the location and ownership of assets sought for government seizure. DCIS will also increase the capabilities of its analyst workforce through training, procure additional tools to process and interpret data, and further incorporate the use of data analytics to identify potential fraud.
- DCIS will host a USINDOPACOM Fraud Working Group in South Korea to coordinate fraud investigations with International and U.S. investigative and prosecutorial partners in the region.
- DCIS will continue to proactively identify and investigate allegations of fraud as it relates to OIR and OES, with law enforcement partners.

Performance Criteria and Evaluation Summary – Defense Criminal Investigation Service (DCIS)			
DCIS PERFORMANCE METRICS	FY 2023	FY 2024	FY 2025
	Actual	Estimate	Estimate
Criminal charges	202	225	230
Criminal convictions	210	222	227
Civil judgments and settlements, criminal fines, penalties, and restitution	\$768.5M	\$1.4M	\$1.5M
Recovered Government property and administrative recoveries	\$28.9M	\$196.0M	\$203.0M
Suspension of contractors	69	79	81

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IV. Performance Criteria and Evaluation Summary:

Debarment of contractors	90	136	139
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Administrative Investigations: AI investigates and oversees DoD Components' investigations of allegations of misconduct against senior DoD officials and allegations of whistleblower reprisal and restriction from communication with an IG or member of Congress. AI performs the DoD Whistleblower Protection Coordinator function, which is responsible for educating DoD employees on whistleblower statutory prohibitions and protections.

- a. The Whistleblower Reprisal Investigations (WRI) Directorate is responsible for the DoD Whistleblower Protection Program, which encourages personnel to report fraud, waste, and abuse to appropriate authorities, provides methods to address complaints of reprisal, and recommends remedies for whistleblowers who encounter reprisal. WRI investigates allegations of whistleblower reprisal and conducts oversight reviews of Military Service and DoD agency IG investigations.
- b. The Investigations of Senior Officials (ISO) Directorate investigates allegations of misconduct against general and flag officers, members of the Senior Executive Service, and Presidential Appointees, conducts oversight reviews of Military Service and DoD agency IG investigations of alleged senior official misconduct, and conducts over 34,000 name checks annually on senior DoD officials whose career actions are pending nomination by the Secretary of Defense and the President, and subsequent confirmation by the Senate.
- c. The DoD Hotline provides a confidential, reliable means to report violations of law, rule, or regulation; fraud, waste, and abuse and threats and danger to the public health and safety of DoD personnel; mismanagement; trafficking in persons; and serious security incidents that involve the DoD.
- d. The Contractor Disclosure Program (CDP) enables DoD contractors to report certain violations of criminal law and the Civil False Claims Act discovered during self-policing activities; provides a framework for government verification of matters disclosed; and provides an additional means for a coordinated evaluation of appropriate administrative, civil, and criminal actions/remedies.

FY 2023 ACTUALS		FY 2024 ESTIMATE		FY 2025 REQUEST	
\$31,475K	171 FTE	\$35,092K	175 FTE	\$37,081K	175 FTE

Summary of Performance:

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IV. Performance Criteria and Evaluation Summary:

AI uses performance measures to focus on the timeliness of investigations and DoD Hotline referrals. The goal is to close Investigations of Senior Officials (ISO) within 240 days; Whistleblower Reprisal Investigations (WRI) within 180 days for military and contractor cases and 240 days for civilian and Non-Appropriated Fund Instrumentality and civilian employees, and DoD personnel with access to classified information (PPD-19), and review Component reprisal reports within 10 business days; make priority 1 Hotline referrals in one business day; and review DoD Hotline completion reports in 10 business days.

FY 2023

- WRI directorate published changes to DoD Directive 1401.03, DoD Non-appropriated Fund Instrumentality (NAFI) Employee Whistleblower Protection and DoD Instruction 5505.15, DoD Contractor Disclosure Program.
- ISO directorate closed four investigations; none were closed (0%) in 240 days or less. ISO's intake review team closed 921 intake cases, and of those, 234 intakes required additional investigative work to resolve. ISO also conducted oversight reviews of 125 component IG cases and completed 71 percent within the 30-day metric.
- WRI directorate closed four reprisal investigations, but none were closed in 180 days or less. The average days to conduct an investigation for military and contractor reprisal investigations increased to 357 days; however, the average age for an intelligence community, appropriated fund, and non-appropriated fund employee decreased to 217 days. WRI completed oversight review of 929 cases and completed 91 percent (841) within the 10- day metric. WRI resolved 32 whistleblower reprisal complaints through the Alternative Dispute Resolution Program.
- DoD Hotline group made 421 Priority 1 referrals related to life, health, safety concerns, 318 (76 percent) in one workday or less. The Hotline also reviewed 1,370 Hotline Completion Reports, of which 823 (60 percent) were reviewed with in the 10-day metric. The Hotline hosted four virtual Hotline Working Groups that included over 530 attendees from 49 DoD Components and 21 other Federal agencies.
- Contractor Discloser Program received 433 contractor disclosures that identified over \$23 million of potential monetary recoveries for the Government.
- Whistleblower Protection Coordinator logged 209 events totaling 2,498 contacts through face-to-face, virtual, or telephonic venues to educate them on their whistleblower rights, the role of various organizations involved in whistleblower allegations, and the role of the whistleblower protection coordinator. There were numerous visits to whistleblower reprisal complaint, whistleblower protection coordinator and whistleblower investigation webpages designed to enhance the education of DoD employees on their whistleblower rights and protections.
- Whistleblower Protection Coordinator in coordination with DoD Hotline subject matter experts, produced a Public Service Announcement video to promote the DoD OIG Cash Award Program, which recognizes and rewards disclosure of suspected fraud, waste, or

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IV. Performance Criteria and Evaluation Summary:

mismanagement that results in a significant cost savings to the DoD. This award may be granted to DoD civilian employees and non-appropriated fund instrumentality employees whose disclosures of fraud, waste, or mismanagement is not related to a matter within their official responsibilities.

- Personnel assisted the D-CATSe PMO in deploying D-CATSe enhancements (version 4.0.2) to the Naval Inspector General Senior Official Investigations and the Department of Defense Education Activity OIG.

FY 2024

- AI will continue leading a high level-working group with the Military Services IG offices to identify and implement best practices and standardized investigative processes to improve the timeliness of senior official investigations.
- AI will continue to educate DoD employees on the whistleblower rights and protections afforded when reporting fraud, waste, and abuse. AI plans to use various educational platforms and technologies, such as a PODCAST, and develop a Whistleblower Protection Application for use with Android/Apple iPhone technology.
- AI will expand the Hotline Working Group and the DoD Hotline Worldwide Outreach seminars to include other Hotlines in the National Capital Region.
- AI will reinstitute the DoD Hotline Corrective Action Reviews of cases before case closure to ensure findings, corrective actions and other primary data are properly recorded in D-CATSe.

FY 2025

- AI anticipates more requests to conduct special investigations and multidisciplinary reviews and will assess enhancing quick reaction and surge capabilities to investigate issues that are of immediate concern to Congress and the DoD.
- AI will publish three DoD issuances to standardize investigative processes for senior official investigations, to ensure consistency of policies and procedures for Hotlines across the DoD, and to update investigative processes and adjudicative responsibilities for non-appropriated fund instrumentality whistleblower reprisal investigations across the DoD.
- AI will expand the operational reviews of Hotline, whistleblower reprisal and senior official investigations across the Military Services and Defense Agencies.
- AI will continue to conduct professional training for the IG community on interviewing and writing reports of investigation and conduct the Whistleblower and Contractor Reprisal Investigations and DoD Hotline Investigator courses.

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IV. Performance Criteria and Evaluation Summary:

- AI will continue to educate DoD employees, to include contractor employees, on the whistleblower rights and protections afforded when reporting fraud, waste, and abuse.

Performance Criteria and Evaluation Summary – Administrative Investigations (AI)			
AI PERFORMANCE METRICS	FY 2023	FY 2024	FY 2025
	Actual	Estimate	Estimate
Investigations of Senior Officials complaints received	1,100	1,116	1,350
Investigations of Senior Officials complaints closed	1,050	925	1,017
Whistleblower Reprisal Investigations complaints received	2,040	2,222	2,488
Whistleblower Reprisal Investigations complaints closed	2,148	2,301	2,439
DoD Hotline contacts received	23,134	24,863	27,306
DoD Hotline cases referred	11,028	15,288	19,126
Contractor disclosures received	433	398	416

Evaluations: EVAL conducts independent reviews of DoD operations and activities. In the EVAL Component:

- a. Program, Combatant Commands, & Overseas Operations conducts evaluations related to overseas operations, national security issues, and significant DoD programs and operations.
- b. Space, Intelligence, Engineering, & Oversight (SIE&O) conducts evaluations related to intelligence and counterintelligence; special access programs; space, missile, and nuclear enterprises; and related security issues within the DoD. SIE&O also performs engineering assessments to identify areas for improvement in the acquisition, fielding, operation, and sustainment of weapon systems, facilities, and infrastructure. In addition, SIE&O provides policy guidance and oversight for the audit and criminal investigation functions within the DoD.

FY 2023 ACTUALS		FY 2024 ESTIMATE		FY 2025 REQUEST	
\$41,874K	218 FTE	\$50,992K	255 FTE	\$51,812K	255 FTE

Summary of Performance:

FY 2023

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IV. Performance Criteria and Evaluation Summary:

- EVAL issued 43 oversight products (38 reports and 5 management advisories) with over 184 recommendations in FY 2023. The reports identified over \$24 million in questioned costs.
- EVAL initiated projects providing oversight of the DoD's support to Ukraine and issued reports related to accountability controls for thousands of defense items transferred to the Ukrainian Armed Forces.
- EVAL issued five management advisories, noting urgent concerns that DoD personnel were not always physically present to conduct an initial 100 percent serial number inventory of all enhanced end-use monitoring designated articles before transfer to Ukraine. In addition, EVAL identified that the DoD did not include a regular and recurring requirement to review, update, and remove defense articles designated for enhanced end-use monitoring.
- EVAL provided Congressional briefings addressing oversight of DoD healthcare, oversight of assistance provided to the Ukraine, and privatized housing. EVAL issued the Federal Voting Assistance Program report within statutory requirements.
- EVAL completed five external peer reviews and two single audit quality control reviews and issues identified noncompliance with standards for planning, supervision, and reporting.

FY 2024

- EVAL will continue focusing on oversight that addresses the DoD's top priorities; areas related to what the DoD OIG believes are the top management and performance challenges facing the DoD; oversight of assistance to Ukraine, and areas identified through outreach with senior DoD officials, Congressional requests, Hotline tips, and DoD OIG expertise.
- EVAL plans to conduct oversight of assistance to Ukraine including:
 - space, missile and nuclear operational sustainment and continuity; healthcare.
 - sexual assault and harassment.
 - operations, readiness, and training.
 - the Defense intelligence enterprise.
 - special access programs; acquisition, fielding, operation, and sustainment of DoD weapon systems, facilities, and infrastructure.
 - formulation and administration of DoD Audit, Inspection, and Evaluation policies; and
 - the formulation and oversight of DoD criminal investigation and law enforcement policies and organizations.(Cont.)

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IV. Performance Criteria and Evaluation Summary:

- Continue to provide independent, relevant, and timely evaluations across the full spectrum of policies, procedures, and functions of the DoD to include special programs, combatant commands, overseas operations, space, intelligence, engineering, and oversight of audit and criminal investigative organizations.
- Continue to focus on policy and oversight of DoD audit and criminal investigative organizations' efforts to identify and detect fraud, waste, and abuse.

Performance Criteria and Evaluation Summary – Evaluations (EVAL)			
EVAL PERFORMANCE METRICS	FY2023	FY2024	FY2025
	Actual	Estimate	Estimate
Reports issued	38	50	50

Diversity and Inclusion and Extremism in the Military:

DIEM is responsible for oversight of policies, programs, systems, and processes regarding diversity and inclusion in the DoD, and the prevention of and response to supremacist, extremist, and criminal gang activity of a member of the Armed Forces.

FY 2023 ACTUALS		FY 2024 ESTIMATE		FY 2025 REQUEST	
\$4,822K	12 FTE	\$4,327K	21 FTE	\$4,562K	21 FTE

Summary of Performance:

FY 2023

- DIEM conducted outreach across the DoD to further develop working relationships across the diversity and inclusion, sexual assault, harassment, and prohibited activities portfolios. In addition, DIEM collaborated with the teams in other DoD OIG Components to coordinate oversight efforts.
- DIEM published two oversight products.

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IV. Performance Criteria and Evaluation Summary:

- DIEM issued two annual and two semiannual reports, required by Section 554 of Public Law 116-283, “William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021.”
- DIEM established quality control program in DIEM Component, including a handbook that outlines policies and procedures for conducting oversight work.
- DIEM conducted outreach with DoD and Military Service stakeholders in support of planned and ongoing work, as well as data mapping efforts.
- DIEM issued guidance to the Military Services regarding Section 554 reporting requirements, incorporating requirements outlined by the Deputy Secretary of Defense memorandum, issued in July 2022.
- Established DIEM as a Business Unit in the D-CATSe Case Management System, to implement receipt and tracking of prohibited activity allegations received by Administrative Investigations and continued monitoring of DIEM Special Interest Indicators (SII) for tracking.
- DIEM led a coordinated effort with seven Offices of Inspectors General on an effort by the CIGIE Diversity, Equity, Inclusion, and Accessibility (DEIA) Committee to develop an Equity Guide for Oversight Work, to be used by the Federal IG community to identify opportunities to include equity considerations in oversight work.

FY 2024

- DIEM will continue to identify and execute impactful oversight projects. Focus project planning and outreach efforts to align with DIEM portfolios, congressional requests, and other relevant topics identified through coordinated outreach efforts across the DoD.
- DIEM will continue coordinated efforts with Administrative Investigations to monitor and track DIEM-related matters using D-CATSe and DoD Hotline data.
- DIEM will continue comprehensive outreach across the DoD, Military Services, and Military Criminal Investigative Offices (MCIOs).

FY 2025

- Continue to plan and execute oversight projects across the DIEM portfolios and collaborate with Audit and Evaluations to ensure comprehensive coverage of portfolios through audits, evaluations, and reviews.
- Continue to work in D-CATSe to track and monitor prohibited activities data and conduct trend analysis to inform oversight project planning.

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IV. Performance Criteria and Evaluation Summary:

Performance Criteria and Evaluation Summary Diversity and Inclusion and Extremism in the Military (DIEM)			
DIEM PERFORMANCE METRICS	FY 2023	FY2024	FY2025
	Actual	Estimate	Estimate
Required Reporting—Established by Section 554 of the FY 2021 National Defense Authorization Act	4	4	4
Completed Oversight (DIEM, Administrative Investigations, Audit, and Evaluations)	7	29	32

Overseas Operations (OO): OO coordinates comprehensive joint oversight and reporting on designated overseas operations by the DoD OIG and other Federal OIGs, in fulfillment of the DoD IG's Lead Inspector General responsibilities.

FY 2023 ACTUALS		FY 2024 ESTIMATE		FY 2025 REQUEST	
\$14,135K	77 FTE	\$23,202K	38 FTE	\$23,704K	38 FTE

Summary of Performance:

FY 2023

- OO coordinated with the other components to publish 11 oversight reports and management advisories related to the DoD's support to Ukraine. The findings and recommendations for improvement include areas such as accountability controls for equipment provided to Ukraine, training of Ukrainian Armed Forces, availability and condition of pre-positioned equipment, and military information support operations.

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IV. Performance Criteria and Evaluation Summary:

- OO oversaw the completion of 11 oversight projects related to Operation Inherent Resolve (OIR) (2) and Operation Enduring Sentinel (OES) (9). Investigations related to OIR and OES resulted in one arrest, three criminal charges, one conviction, sentences of 141 months confinement and 36 months of probation, one debarment, and over \$1 million in monetary recoveries.
- OO issued the first Joint Strategic Oversight Plan–Ukraine Response, identifying 70 oversight projects related to the U.S. Government’s response to the 2022 large scale invasion of Ukraine.

FY 2024

- OO will maintain oversight presence at Embassy Kyiv, Ukraine and at other United States European Command locations, and in Bahrain, Kuwait, and Qatar.
- OO will issue the Joint Strategic Oversight Plan -Ukraine Response and the Comprehensive Oversight Plan for Overseas Operations.
- OO will convene 12 Ukraine Oversight Interagency Working Group coordination meetings with Federal and Military Services oversight agency representatives.
- OO will publish 11 Lead IG unclassified quarterly reports with 8 classified appendices.

FY 2025

- Maintain oversight presence in Ukraine and at other United States European Command locations, and in Bahrain, Kuwait, and Qatar.
- Issue the Joint Strategic Oversight Plan - Ukraine Response and the Comprehensive Oversight Plan for Overseas Operations.
- Publish Joint Ukraine Response reports, fulfilling NDAA reporting requirements.
- Convene 12 Ukraine Oversight Interagency Working Group with representatives from 25 Federal and Military Services oversight agencies.
- Publish 12 Lead IG unclassified quarterly reports with 12 classified appendices.

Performance Criteria and Evaluation Summary Overseas Operations (OO)			
OO PERFORMANCE METRICS	FY2023	FY2024	FY2025

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IV. Performance Criteria and Evaluation Summary:

	Actual	Estimate	Estimate
Lead IG Oversight Projects Completed	15	13	13
Lead IG Joint Strategic Oversight Plans	2	2	2
Lead IG Reports Issued	8	11	12
Sustained average elapsed days from end of quarter to report completion for designated overseas operations	42	42	42
Ukraine Response Oversight Projects Completed	22	24	24
Ukraine Response Joint Strategic Oversight Plan	1	1	1
Ukraine Response Reports Issued	1	2	3
Sustained senior leader engagements with Federal oversight, policy, and command officials	60	60	60

Mission Support Team (MST): MST provides essential support services to the DoD OIG enterprise, both at DoD OIG headquarters and at field offices located throughout the world. These services include strategic planning, human capital management, financial management, acquisition support, logistics services, information management and information technology support, security management, enterprise risk management, data analytics support, and correspondence management.

MST centrally handles finances and other support for over 50 DoD OIG field offices worldwide, and all DoD OIG IT operations. MST also operates the Defense Case Activity Tracking System–Enterprise (D-CATSe) Program Management Office (PMO) aimed at establishing and sustaining a single DoD-wide system for the management of administrative investigation information, and the Criminal Investigative Management System (CRIMS) PMO that supports the criminal investigation case management system used by DCIS.

FY 2023 ACTUALS		FY 2024 ESTIMATE		FY 2025 REQUEST	
\$178,156K	218 FTE	\$188,090K	283 FTE	\$196,407K	283 FTE

Summary of Performance:

FY 2023

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IV. Performance Criteria and Evaluation Summary:

- MST completed a pilot of Microsoft 365 (M365) and received approval to establish its own M365 environment to improve virtual collaboration capabilities, while maintaining the confidentiality and integrity of DoD OIG data.
- MST onboarded 188 external hires, increasing the organization's end strength by 40.
- MST transitioned the DoD OIG to the National Background Investigation Services (NBIS) System. The NBIS System will serve as the Federal Government's system for end-to-end personnel vetting.
- MST completed the eighth consecutive unmodified audit opinion on the DoD OIG's FY 2022 financial statements.
- MST coordinated with contracting entities to complete 120 contract awards worth \$72.4 million.
- MST effectively supported the expansion of field sites in Europe to support of oversight of U.S. assistance to Ukraine in its response to Russia's full-scale invasion.
- MST deployed D-CATSe to the Naval Inspector General Senior Official Investigations Division and DoD Education Activity Office of Inspector General.
- MST enhanced automation capabilities supporting correspondence control, asset management, property accountability, and support agreement management. Deployed four new capabilities in the DoD OIG's management information system.
- MST expanded visualization and dashboard capabilities supporting DoD OIG business operations related to personnel, finance, oversight projects, risk management, and internal controls.
- MST published the FY 2023 Top DoD Management Challenges and FY 2023 DoD OIG Annual Oversight Plan. Improved DoD OIG oversight project planning and development of the FY 2024 DoD Top Management and Performance Challenges by capitalizing on collaborative partnerships within the DoD and enhancing internal analytical tools.
- MST strengthened information governance to include policies, business rules, classification, and paper reduction in compliance with National Archives and Records Administration (NARA) requirements.
- MST transitioned to a new personnel notification system as part of the DoD OIG's Continuity of Operations capability.
- MST coordinated with the General Services Administration to conduct a complete review of the DoD OIG's footprint requirements, field sites, and space plan.

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IV. Performance Criteria and Evaluation Summary:

FY 2024

- MST will develop a robust recruitment and retention strategy and ensure the DoD OIG fully executes its FTE.
- MST will initiate transition of IT to the cloud and modernize the DoD OIG's IT Service Management tool.
- MST will improve overall governance processes to support efficient and effective business operations.
- MST will continue to mature the DoD OIG's data analytics platform and visualization capabilities on classified and unclassified networks.
- MST will publish the FY 2024 Top DoD Management and Performance Challenges, FY 2025 DoD OIG Annual Oversight Plan, and FY 2025 Annual DoD OIG Planning Guidance.
- MST will strengthen enterprise risk management and internal controls program by publishing new execution guidance, conducting training, and testing effectiveness of internal controls.
- MST will transition the agency to DoD Trusted Workforce (TW) 2.0. TW 2.0 involves continuous vetting of personnel and will reduce the time required to onboard new hires, enable mobility of the Federal workforce, and improve insider threat monitoring capabilities.
- MST will complete deployment of D-CATSe to the Naval Inspector General and several smaller agencies.
- MST will develop the DoD OIG office space plan, developed in collaboration with General Service Administration (GSA).

FY 2025

- Continue IT modernization and cloud migration.
- Deploy D-CATSe 4.3 release to the DoD OIG and the DoD Service IGs, Defense Agencies, and Combatant Commands.
- Publish the FY 2026 Top DoD Management and Performance Challenges, FY 2026 DoD OIG Annual Oversight Plan, and FY 2026 Annual DoD OIG Planning Guidance.

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V. Personnel Summary:

	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>	<u>Change FY 2023/ FY 2024</u>	<u>Change FY 2024/ FY 2025</u>
Active Military End Strength (E/S) (Total)	23	23	23	0	0
Officer	22	22	22	0	0
Enlisted	1	1	1	0	0
Civilian End Strength (Total)	1,781	1,863	1,863	82	0
U.S. Direct Hire	1,775	1,857	1,857	82	0
Total Direct Hire	1,775	1,857	1,857	82	0
Foreign National Indirect Hire	2	2	2	0	0
Reimbursable Civilians	4	4	4	0	0
Active Military Average Strength (A/S) (Total)	23	23	23	0	0
Officer	22	22	22	0	0
Enlisted	1	1	1	0	0
Civilian FTEs (Total)	1,743	1,859	1,859	116	0
U.S. Direct Hire	1,741	1,857	1,857	116	0
Total Direct Hire	1,741	1,857	1,857	116	0
Foreign National Indirect Hire	2	2	2	0	0
Average Annual Civilian Salary (\$ in thousands)	196.2	202.2	208.9	6.0	6.7
Contractor FTEs (Total)	231	231	231	0	0

Personnel Summary Explanations:

This exhibit includes the FY 2025 Overseas Operations Costs Budget Request for civilian and contractor FTEs accounted for in the Base Budget Estimate.

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VI. OP 32 Line Items as Applicable (Dollars in thousands):

	FY 2023 Program	Change from FY 2023 to FY 2024		FY 2024 Program	Change from FY 2024 to FY 2025		FY 2025 Program
		Price Growth	Program Growth		Price Growth	Program Growth	
101 EXEC, GEN'L & SPEC SCHEDS	339,316	17,061	17,015	373,392	10,855	1,493	385,740
111 DISABILITY COMPENSATION	1,240	62	-36	1,266	37	62	1,365
121 PCS BENEFITS	1,237	62	-270	1,029	30	-11	1,048
0199 TOTAL CIVILIAN PERSONNEL COMPENSATION	341,793	17,185	16,709	375,687	10,922	1,544	388,153
308 TRAVEL OF PERSONS	9,408	207	2,570	12,185	256	-891	11,550
0399 TOTAL TRAVEL	9,408	207	2,570	12,185	256	-891	11,550
677 DISA TELECOMM SVCS - REIMBURSABLE	3,669	238	-2,248	1,659	54	-413	1,300
0699 TOTAL OTHER FUND PURCHASES	3,669	238	-2,248	1,659	54	-413	1,300
771 COMMERCIAL TRANSPORT	467	9	115	591	12	-252	351
0799 TOTAL TRANSPORTATION	467	9	115	591	12	-252	351
901 FOREIGN NATIONAL INDIRECT HIRE (FNIH)	203	10	-7	206	6	-1	211
912 RENTAL PAYMENTS TO GSA (SLUC)	7,671	169	-358	7,482	157	-61	7,578
913 PURCHASED UTILITIES (NON-FUND)	0	0	213	213	4	0	217
914 PURCHASED COMMUNICATIONS (NON-FUND)	0	0	2,879	2,879	60	1,236	4,175
915 RENTS (NON-GSA)	11,455	252	566	12,273	258	-5,487	7,044
917 POSTAL SERVICES (U.S.P.S)	0	0	18	18	0	-18	0
920 SUPPLIES & MATERIALS (NON-FUND)	722	16	1,625	2,363	50	-65	2,348
921 PRINTING & REPRODUCTION	70	2	15	87	2	-1	88
922 EQUIPMENT MAINTENANCE BY CONTRACT	50,553	1,112	-38,327	13,338	280	1,673	15,291
923 FACILITIES SUST, REST, & MOD BY CONTRACT	3,074	68	2,579	5,721	120	-1,520	4,321
925 EQUIPMENT PURCHASES (NON-FUND)	10,418	229	-3,473	7,174	151	2,018	9,343
932 MGT PROF SUPPORT SVCS	29,145	641	-21,907	7,879	165	-1,106	6,938
934 ENGINEERING & TECH SVCS	0	0	45	45	1	-1	45
960 OTHER COSTS (INTEREST AND DIVIDENDS)	6	0	0	6	0	0	6
985 RESEARCH & DEVELOPMENT, CONTRACTS	3,389	0	11	3,400	0	-1,500	1,900
987 OTHER INTRA-GOVT PURCH	12,530	276	11,656	24,462	514	11,009	35,985

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VI. OP 32 Line Items as Applicable (Dollars in thousands): (Cont.)

	FY 2023 <u>Program</u>	<u>Change from FY 2023 to FY 2024</u>		FY 2024 <u>Program</u>	<u>Change from FY 2024 to FY 2025</u>		FY 2025 <u>Program</u>
		<u>Price Growth</u>	<u>Program Growth</u>		<u>Price Growth</u>	<u>Program Growth</u>	
989 OTHER SERVICES	0	0	2,088	2,088	44	-704	1,428
990 IT CONTRACT SUPPORT SERVICES	3,043	67	40,551	43,661	917	2,493	47,071
0999 TOTAL OTHER PURCHASES	132,279	2,842	-1,826	133,295	2,729	7,965	143,989
9999 GRAND TOTAL	487,616	20,481	15,320	523,417	13,973	7,953	545,343