

# **Fiscal Year (FY) 2020 President's Budget**

## **Operation and Maintenance, Defense-Wide Office of Inspector General**



**March 2019**

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**Office of Inspector General  
Operation and Maintenance, Defense-Wide  
Fiscal Year (FY) 2020 President's Budget**

**Operation and Maintenance, Defense-Wide Summary (\$ in thousands)  
Budget Activity (BA) 01: Office of Inspector General (OIG)**

	FY 2018	Price	Program	FY 2019	Price	Program	FY 2020
	<u>Actuals</u>	<u>Change</u>	<u>Change</u>	<u>Enacted</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>
OIG	337,487	2,652	-10,866	329,273	1,473	32,753	363,499

\* The FY 2018 Actual column includes \$18,468.0 thousand of FY 2018 Overseas Contingency Operations (OCO) Appropriations Funding (PL 115-141).

\* The FY 2019 Enacted column excludes \$24,692.0 thousand of FY 2019 OCO Appropriations Funding (PL 115-245).

\* The FY 2020 Estimate column excludes \$24,254.0 thousand of FY 2020 OCO Appropriations Funding.

**I. Description of Operations Financed:** The Department of Defense (DoD) Inspector General (IG) is the principal adviser to the Secretary of Defense (SecDef) for matters relating to the prevention and detection of fraud, waste, and abuse in DoD programs and operations. The DoD Office of Inspector General (OIG) audits, investigates, inspects, and evaluates the programs and operations of the DoD, and executes its mission and responsibilities through the activities of six oversight Components, plus the Office of General Counsel and mission support functions.

During FY 2019, the OIG was required to move its IT operations from the Mark Center to a DISA data center. The OIG has submitted an issue paper to the Department to receive additional funding for this effort. The FY 2020 portion of this cost is estimated to be between \$15-20 million.

During FY 2019 the OIG submitted an issue paper to the Department to receive additional O&M funding to maintain its current level of staffing of 1,515 core-funded employees and grow by 85 additional staff to provide additional audit and investigative oversight capabilities. The FY 2020 cost of this effort is \$18.734 million.

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**I. Description of Operations Financed (cont.)**

The aggregate FY 2020 budget request for the operations of the DoD OIG is \$387.8 million: \$360.2 million Operation and Maintenance, \$2.97 million RDT&E, \$0.33 million Procurement, and \$24.3 million Overseas Contingency Operations. The portion of Operation and Maintenance funding needed for DoD OIG training is \$3.7 million, and the amount needed to support the Council of Inspectors General on Integrity and Efficiency (CIGIE) is \$0.9 million.

As this FY 20 budget information was being submitted, the OIG decided to reorganize the three components that conduct evaluations (Intelligence and Special Program Assessments, Policy and Oversight, and Special Plans and Operations) into a single evaluation component. This reorganization will improve the efficiency and effectiveness of our evaluation function. The OIG will determine the details of this reorganization and implement it in FY 19, and our FY 21 budget submission will reflect the new organization.

The DoD OIG programs are as follow:

1. **Audit:** Conducts independent, relevant, and timely audits that promote economy, efficiency, and effectiveness with sound actionable recommendations that, when effectively implemented, improve the Department's programs, operations, and stewardship of its resources.
2. **Defense Criminal Investigative Service (DCIS):** Conducts criminal investigations of matters related to DoD programs and operations, in areas such as procurement fraud and public corruption, product substitution, health care fraud, illegal technology transfer, and cybercrimes and computer intrusions.

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**I. Description of Operations Financed (cont.)**

3. **Administrative Investigations (AI)**: Investigates allegations of misconduct by senior DoD officials and allegations of whistleblower reprisal and restriction from communication with an IG or Member of Congress. AI provides a confidential DoD Hotline for reporting fraud, waste, and abuse, and for detecting and preventing threats and danger to the public health and safety of DoD.
4. **Special Plans and Operations (SPO)**: Conducts program evaluations in a variety of national security areas, including congressionally mandated projects.
5. **Policy and Oversight (P&O)**: Provides policy for and oversight of DoD audit and investigative activities, conducts engineering assessments of DoD programs, provides technical advice and support to DoD OIG projects, and operates the DoD OIG subpoena and contractor disclosure programs.
6. **Intelligence and Special Program Assessments (ISPA)**: Conducts evaluations across the full spectrum of programs, policies, procedures, and functions of the intelligence and counterintelligence enterprises, special access programs, the nuclear enterprise, and related security issues within DoD.
7. **Office of General Counsel (OGC)**: Provides legal advice and counsel on all matters relating to the missions, functions, responsibilities, and duties of the DoD OIG.
8. **Mission Support**: Provides essential mission support services to the operational Components, including human resource, budget and finance, security, quality assurance, data analytics, and logistical support at the DoD OIG headquarters and at field offices located throughout the world. Mission Support finances the Defense Case Activity

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**I. Description of Operations Financed (cont.)**

Tracking System (DCATS) Program Management Office to develop, deploy, and sustain the Defense Case Activity Tracking System Enterprise (DCATSe) system for the DoD oversight community.

**II. Force Structure Summary:**

N/A

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III. Financial Summary (\$ in thousands)

A. BA Subactivities	FY 2018 Actuals	Budget Request	FY 2019 Congressional Action			Current Enacted	FY 2020 Estimate
			Amount	Percent	Appropriated		
1. Audit	82,114	86,629	0	0.0	86,629	86,629	92,653
2. Defense Criminal Investigative Service/ Investigations	85,990	82,049	0	0.0	82,049	82,049	92,049
3. Administrative Investigations	21,520	24,691	0	0.0	24,691	24,691	26,132
4. Policy and Oversight	17,526	14,976	0	0.0	14,976	14,976	18,790
5. Intelligence and Special Program Assessments	8,751	7,237	0	0.0	7,237	7,237	9,267
6. Special Plans and Operations	7,819	7,559	0	0.0	7,559	7,559	8,696
7. Mission Support	92,499	102,095	0	0.0	102,095	102,095	111,435
8. Overseas Contingency Operations	18,468	0	0	n/a	0	0	0
9. RDT&E	2,800	3,977	0	0.0	3,977	3,977	2,965
10. Procurement	0	60	0	0.0	60	60	333
11. Cyber Security	0	0	0	n/a	0	0	1,179
<b>Total</b>	<b>337,487</b>	<b>329,273</b>	<b>0</b>	<b>0.0</b>	<b>329,273</b>	<b>329,273</b>	<b>363,499</b>

\* The FY 2018 Actual column includes \$18,468.0 thousand of FY 2018 Overseas Contingency Operations (OCO) Appropriations Funding (PL 115-141).

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III. Financial Summary (\$ in thousands)

<b>B. <u>Reconciliation Summary</u></b>	<b>Change</b>	<b>Change</b>
	<b><u>FY 2019/FY 2019</u></b>	<b><u>FY 2019/FY 2020</u></b>
<b>Baseline Funding</b>	<b>329,273</b>	<b>329,273</b>
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
<b>Subtotal Appropriated Amount</b>	<b>329,273</b>	
Fact-of-Life Changes (2019 to 2019 Only)		
<b>Subtotal Baseline Funding</b>	<b>329,273</b>	
Supplemental	24,692	
Reprogrammings		
Price Changes		1,473
Functional Transfers		
Program Changes		32,753
<b>Current Estimate</b>	<b>353,965</b>	<b>363,499</b>
Less: Wartime Supplemental	-24,692	
<b>Normalized Current Estimate</b>	<b>329,273</b>	



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**III. Financial Summary (\$ in thousands)**

<b><u>C. Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
<b>FY 2019 President's Budget Request (Amended, if applicable)</b>		<b>329,273</b>
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
<b>FY 2019 Appropriated Amount</b>		<b>329,273</b>
2. War-Related and Disaster Supplemental Appropriations		24,692
a. OCO Supplemental Funding		
1) FY 2019 Supplemental Budget Estimate for OCO	24,692	
3. Fact-of-Life Changes		
<b>FY 2019 Baseline Funding</b>		<b>353,965</b>
4. Reprogrammings (Requiring 1415 Actions)		
<b>Revised FY 2019 Estimate</b>		<b>353,965</b>
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings		-24,692
<b>FY 2019 Normalized Current Estimate</b>		<b>329,273</b>
6. Price Change		1,473
7. Functional Transfers		
8. Program Increases		35,586
a. Annualization of New FY 2019 Program		
b. One-Time FY 2020 Increases		
c. Program Growth in FY 2020		
1) Civilian Compensation & Benefits	16,104	
+\$16,104 thousand is attributed to maintain current OIG staffing levels in order to support increasing oversight requirements, increase its capacity to provide necessary oversight of critical areas for DoD, and enable the OIG to improve its oversight		

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**III. Financial Summary (\$ in thousands)**

<b>C. <u>Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
capabilities in advanced data analytics		
2) Other Intra-Gov't Purchases	10,236	
+\$10,236 thousand is attributed to support agreements with other DoD entities that support OIG operations		
3) IT Contract Support Services	5,050	
+\$5,050 thousand is attributed to support the OIG Network		
4) Rents (Non-GSA)	1,903	
+\$1,903 thousand is attributed to an increase in rent costs		
5) Rental Payments to GSA	1,143	
+\$1,143 thousand is attributed to an increase in rental costs		
6) Travel of Persons	660	
+\$660 thousand is attributed to an increase number of personnel conducting oversight work		
7) Purchased Communications	224	
+\$224 thousand is attributed to an increase in communication costs for auditors and investigators conducting oversight work		
8) DISA Telecomm Services - Reimbursable	145	
+\$145 thousand is attributed to an increase in telecomm services with DISA		
9) Commercial Transportation	100	
+\$100 thousand is attributed to an increase in permanent change of station transportation costs		
10) Purchased Utilities	20	
+\$20 thousand is attributed to an increase in utilities costs		

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**III. Financial Summary (\$ in thousands)**

<b>C. <u>Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
11) Postal Services (USPS)	1	
+\$1 thousand is attributed to an increase in postal costs		
9. Program Decreases		-2,833
a. Annualization of FY 2019 Program Decreases		
b. One-Time FY 2019 Increases		
c. Program Decreases in FY 2020		
1) Research & Development, Contracts	-924	
-\$924 thousand is attributed to a decrease in system development requirements for DCATSe and CRIMS		
2) Facilities Sustainment, Restoration, Modification By Contract	-588	
-\$588 thousand is attributed to a decrease in facilities renovations costs		
3) Equipment Maintenance By Contract	-480	
-\$480 thousand is attributed to a decrease in equipment maintenance for IT software and hardware		
4) Equipment Purchases	-333	
-\$333 thousand is attributed to a decrease in IT equipment purchases		
5) Management Professional Support Services	-245	
-\$245 thousand is attributed to a decrease in requirement for professional support service contracts		
6) Other Services	-208	
7) Supplies & Materials	-44	
8) Printing & Reproduction	-6	
9) Foreign National Indirect Hire (FNIH)	-3	
10) Engineering & Tech Services	-2	

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III. Financial Summary (\$ in thousands)

	<u>Amount</u>	<u>Totals</u>
C. <u>Reconciliation of Increases and Decreases</u> FY 2020 Budget Request		363,499

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**IV. Performance Criteria and Evaluation Summary:**

FY18 ACTUAL		FY19 ENACTED		FY20 REQUEST	
\$82,114	542 FTE	\$86,629	544 FTE	\$92,653	580 FTE

1. **Audit:** Audit conducts independent audits of DoD programs and operations to detect and deter fraud, waste, and abuse; and improve the efficiency and effectiveness of those programs and operations. In the Audit Division:
  - a. The Acquisition and Sustainment Management (ASM) Directorate performs audits of weapons systems and information technology acquisitions, spare parts procurement and pricing, and management of Government-owned inventory.
  - b. The Contract Management and Payment (CMP) Directorate performs audits of contract awards and administration; fair and reasonable pricing; Government purchase and travel cards; improper payments; transportation and health care payments; and supports Overseas Contingency Operations (OCOs).
  - c. The Financial Management and Reporting (FMR) Directorate performs audits of finance and accounting systems, and of DoD functions and activities established to carry out DoD's fiscal responsibilities. FMR also audits DoD's audit readiness efforts and DoD financial statements.
  - d. The Readiness and Cyber Operations (RCO) Directorate performs audits of cyber operations, joint operations, force management, and readiness. RCO audits identify deficiencies that span all combatant commands to ensure that the warfighter is equipped and trained for the mission.

At the end of FY 2018, Audit had 580 staff on-board, an increase of 59 from FY 2017. The increased staffing allowed Audit to ensure the successful completion of DoD's first full financial statement audit, and increase cyber security, healthcare, acquisitions,

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**IV. Performance Criteria and Evaluation Summary:**

strategic force readiness challenges, and contracting oversight. In FY 2020, Audit is requesting \$92,653,000 and 580 FTEs. These funds will support increased oversight of the Department's financial management and business reforms, space and cyber operations, and health care.

Summary of Performance:

FY 2018

- Issued 110 reports, a 23% increase from FY 2017, that identified \$1.8 billion in questioned costs, and \$293 million in funds that could be better used. With the corrective actions that DoD implemented as a result of the OIG's audit recommendations, the Department realized savings of \$637 million, an \$963 thousand return on investment per Audit staff member.
- Provided oversight of and completed the DoD's first full financial statement and systems audits. Since the Department's assets total more than \$2 trillion, this was likely the largest financial statement audit ever undertaken. The OIG, working in conjunction with contracted Independent Public Accounting firms, provided over 2,000 Notice of Findings and Recommendations to DoD Components.
- Based on actions provided by the Department in response to our initial FY 2017 Compendium of Open Office of Inspector General Recommendations, Audit closed 421 of 1,298 open recommendations, and updated the Compendium for FY 2018, identifying 1,558 open recommendations that contained potential monetary benefits of \$2.3 billion.
- Increased oversight of cybersecurity and cyber operations audits that addressed critical DoD issues such as Unmanned Aerial Vehicles, the DoD's Secret Internet Protocol Router Network, and the Air Force Satellite Control Network.

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**IV. Performance Criteria and Evaluation Summary:**

- Conducted congressionally requested audits, including:
  - USSTRATCOM Facility Construction Project
  - Fort Bliss Hospital Replacement Military Construction Project
  - USAF Space Command Supply Chain Risk Management
  - Army and Navy Civilian Pay Budget Process

FY 2019

- Audit will continue focusing on oversight that addresses the SECDEF's priorities and on audits identified through outreach with senior DoD officials, congressional requests, and Hotline tips. Focus areas in FY 2019 include critical healthcare, weapons systems acquisition and sustainment, cyber security and operations, and force readiness challenges within the DoD. Specifically, joint exercises' impact on readiness, spare parts for the Joint Strike Fighter (F-35) and Super Hornet (F-18 E/F), control of opioids, the nuclear command and control system supply chain, securing and monitoring classified networks and enclaves within the intelligence community, and protection of DoD information maintained on contractor systems and networks.
- Audit will continue to provide oversight of independent public accounting firms performing DoD Component-level financial statement audits, and conduct DoD's agency-wide financial statements and system audits. The focus in FY 2019 will be to provide feedback to the Department on the existence, completeness, and valuation of over \$2.4 trillion in assets to determine if the assets are accurately valued and ready to support the warfighter. Audit will also provide recommendations to standardize DoD business processes and improve the quality of the financial data.

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**IV. Performance Criteria and Evaluation Summary:**

- Other focus areas include emerging issues such as artificial intelligence, additive manufacturing process (3D printing), and rapid prototyping and fielding of major acquisitions.

FY 2020

- Audit intends to expand its oversight of high-risk DoD activities and SECDEF priorities including cybersecurity and cyber operations, space-based operations, health care, and sensitive activity programs, maintaining U.S. military superiority amid security threats, building alliances, and implementing business reforms across the Department, and other audits identified through outreach with senior DoD officials, congressional requests, and Hotline tips.
- Audit will continue to provide oversight of independent public accounting firms performing DoD Component-level financial statement audits, and conduct the agency-wide financial statements audit.

Performance Criteria and Evaluation Summary			
OIG OP-5 PERFORMANCE METRICS	FY 2018	FY 2019	FY 2020
	Actual	Estimate	Estimate
<b><u>AUDIT</u></b>			
Reports issued	110	110	110
Potential monetary benefits (in millions)	2,137	1	1
Achieved monetary benefits (in millions)	637	1	1

DoD OIG OP-5 Exhibit



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**IV. Performance Criteria and Evaluation Summary:**

<sup>1</sup>Audit does not estimate potential and achieved monetary benefits because these amounts fluctuate significantly based on the results of audits and the implementation of corrective actions by the Department. As a reference, Audit's 3-year average is \$1.76 billion in potential monetary benefits identified and \$484 million in achieved benefits.

FY18 ACTUAL		FY19 ENACTED		FY20 ESTIMATE	
\$85,990	405 FTE	\$82,049	397 FTE	\$92,049	422 FTE

**Defense Criminal Investigative Service (DCIS):** The Defense Criminal Investigative Service (DCIS) focuses on fraud investigations, including procurement, health care, and substituted and counterfeit products; investigations of public corruption, including bribery, kickbacks, and theft; technology protection investigations, including illegal transfer, theft, or diversion of DoD technologies and U.S. Munitions List items to forbidden nations and persons; and cybercrime investigations. DCIS's investigations in health care have increased, and health care fraud is a significant investigative priority, particularly as it relates to military families. DCIS investigates cybercrimes and computer network intrusions, and also provides digital exploitation and forensics services in support of traditional investigations. DCIS incorporates the Case Reporting and Information Management System (CRIMS) and Digital Media Examination Network (DMEN) systems into their business functions and mission requirements.

DCIS is requesting \$92,049,000 and 422 FTE in FY 2020. These funds and personnel will be used to refine proactive investigative priorities; enhance collaboration with the OIG's Data Analytics Program; expand the focus on investigative priorities with additional

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**IV. Performance Criteria and Evaluation Summary:**

emphasis on criminal allegations affecting the health, safety, welfare, and mission-readiness of U.S. warfighters; and increase efforts in counter-proliferation and product substitution investigations.

Summary of Performance:

DCIS established a performance metric that 90 percent of investigations focus on fraud, public corruption, technology protection, health care, and cybercrimes. DCIS uses investigative statistics such as arrests, indictments and criminal charges, convictions, fines, recoveries, restitution, and suspensions and debarments, to ensure consistency in efforts and the effective use of its investigative resources.

Performance Criteria and Evaluation Summary			
<b>DCIS OP-5 PERFORMANCE METRICS</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>
Criminal charges	300	300	306
Criminal convictions	202	219	224
Court ordered receivables for the USG	\$1,141 mil	\$1,237 mil	\$1,280 mil
Recoveries in stolen or misappropriated USG property	\$0.234 mil	\$1.265 mil	\$1.310 mil
Contributions to the suspension of contractors	80	115	118
Contributions to the debarment of contractors	142	181	185

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**IV. Performance Criteria and Evaluation Summary:**

FY18 ACTUAL		FY19 ENACTED		FY20 ESTIMATE	
\$21,520	139 FTE	\$24,691	154 FTE	\$26,132	162 FTE

**Administrative Investigations (AI):** Administrative Investigations (AI) conducts oversight of investigations of allegations of whistleblower reprisal and misconduct by senior DoD officials; operates the DoD Hotline for reporting fraud, waste, abuse, and threats and danger to the public health and safety of DoD; and performs the DoD Whistleblower Protection Coordinator function to educate DoD employees on whistleblower statutory prohibitions and protections. In the AI Division 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 and provides methods to address complaints of reprisal and recommends remedies for whistleblowers who encounter reprisal.

Investigations of Senior Officials (ISO) Directorate investigates allegations of misconduct against general and flag officers, members of the Senior Executive Service, and Presidential Appointees and conducts over 12,000 security background checks annually on senior DoD officials whose career actions are pending nomination by the Secretary of Defense and the President, and confirmation by the Senate.

The DoD Hotline provides a confidential, reliable means to report violations of law, rule, or regulation; fraud, waste, and abuse; mismanagement; trafficking in persons, and serious security incidents that involve the DoD.

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**IV. Performance Criteria and Evaluation Summary:**

AI is requesting \$26,132,000 and 162 FTE in FY 2020.

Summary of Performance:

FY 2018

- Improved Whistleblower Reprisal Investigations Directorate (WRI) performance including: establishing an alternative dispute resolution program to quickly resolve reprisal complaints without opening an investigation; allocating an additional team of investigators to handle sexual assault victim reprisal complaints and investigations; and reducing backlogs in reprisal complaints and improving timeliness to complete reprisal investigations. AI's goal is to close Whistleblower Reprisal Investigations (WRI) within 180 days for military and contractor cases and 240 days for civilian and NAFI employees; in FY 2018, WRI closed 10 military and contractor reprisal investigations of which 3 (30%) were closed in 180 days or less; and closed 3 civilian and NAFI investigations of which none were closed in 240 days or less.
- Improved DoD Hotline performance that included reducing backlogs in hotline complaints and improving timeliness in complaint referrals. AI's goal is to make priority 1 Hotline referrals related to life, death, and safety concerns in 1 business day and review DoD Hotline completion reports in 45 business days. In FY 2018, DoD Hotline made 192 Priority 1 referrals; 148 (77%) in one business day or less. Hotline reviewed 837 Hotline completion reports, of which 802 (96%) were reviewed in 45 business days or less.
- Improved Senior Official Investigations Directorate performance including reducing time to complete investigations of allegations of misconduct involving senior

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**IV. Performance Criteria and Evaluation Summary:**

officials pending career actions requiring confirmation by the Senate. AI's goal is to close Investigations of Senior Officials (ISO) investigations within 210 days. In FY 2018, AI closed nine ISO investigations, three (33%) of which were closed in 210 days or less. AI conducts training and outreach activities to improve the quality and timeliness of investigations, and inform employees of whistleblower protections and how to report reprisal allegations. During FY 2018, AI conducted the DoD Hotline Worldwide Outreach and Observance of National Whistleblower Appreciation Day, which were attended by news media and over 400 personnel from across the DoD and Federal government. In addition, AI conducted 30 external outreach and training events reaching 1,600 attendees.

FY 2019

- More rapidly respond to allegations impacting public health and safety, DoD operations, whistleblower protection, and the public trust in senior DoD officials.
- Improve oversight and monitoring of open whistleblower reprisal and DoD Hotline cases to further improve the timeliness of investigations.
- Lead professional training for the IG community for whistleblower reprisal investigations and DoD Hotline operations.

FY 2020

- More rapidly respond to allegations impacting public health and safety, DoD operations, whistleblower protection, and the public trust in senior DoD officials.
- Improve oversight and monitoring of open whistleblower reprisal and DoD Hotline cases to further improve the timeliness of investigations.

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**IV. Performance Criteria and Evaluation Summary:**

- Lead professional training for the IG community for whistleblower reprisal investigations and DoD Hotline operations.

Performance Criteria and Evaluation Summary			
OIG OP-5 PERFORMANCE METRICS	FY 2018	FY 2019	FY 2020
	Actual	Estimate	Request
Investigations of Senior Officials complaints received	785	800	800
Investigations of Senior Officials complaints closed	803	810	810
Whistleblower Reprisal Investigations complaints received	2,002	2,176	2,393
Whistleblower Reprisal Investigations complaints closed	2,087	2,554	3,141
DoD Hotline contacts received	12,470	14,000	14,000
DoD hotline cases referred	6,655	7,000	7,000

FY18 ACTUAL		FY19 ENACTED		FY20 REQUEST	
\$7,819	49 FTE	\$7,559	49 FTE	\$8,696	52 FTE

**Special Plans and Operations (SPO):** Conducts program evaluations in a variety of national security areas, including congressionally mandated projects. SPO evaluations include areas such as the DoD's ability to train, advise, assess, and equip security forces; provide medical care; and conduct oversight of various congressional interests. In FY 2020, SPO is requesting \$8,696,000 and 52 FTEs to continue these oversight efforts.

Summary of Performance:

DoD OIG OP-5 Exhibit

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**IV. Performance Criteria and Evaluation Summary:**

FY 2018

- In FY 2018, SPO issued ten oversight reports including a report on Afghan Child Abuse; the DoD response to medical patient safety; training advising and assisting the Afghan Air Force; the Iraq Police Hold Force; and an evaluation of the Army Tactical Detector Dogs.

FY 2019

- SPO will continue to focus on critical issues related to operations in Southwest Asia, various congressional requests, Military Medical Healthcare, and other priority areas. SPO plans to produce 10 reports, including reports on OCOs in the Philippines, the AFRICOM area of operations, combating trafficking in persons in Kuwait, Arlington National Cemetery Gravesite Accountability, the Department's efforts to manage opioid disorders, and oversight of Army ammunition burn pits in the United States.
- SPO will also conduct evaluations of DoD biological safety and security implementation, the European Deterrence Initiative Evaluation of Coalition-provided Leadership Training within the Afghan National Army, and US and Coalition Efforts to Implement the Afghan National Maintenance Strategy.

FY 2020

- In FY 2020, SPO plans to issue 11 evaluation reports and continue to focus on operations in Southwest Asia, various congressional requests, issues dealing with Military Medical Healthcare, and other areas of concern.

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**IV. Performance Criteria and Evaluation Summary:**

Performance Criteria and Evaluation Summary			
OIG OP-5 PERFORMANCE METRICS	FY 2018	FY 2019	FY 2020
	Actual	Estimate	Estimate
<b><u>Special Plans and Operations (SPO)</u></b>			
SPO Reports	10	10	11

FY18 ACTUAL		FY19 ENACTED		FY20 REQUEST	
\$17,526	98 FTE	\$14,976	96 FTE	\$18,790	101 FTE

1. **Policy and Oversight (P&O):** Policy and Oversight (P&O) provides policy, guidance, and oversight for the audit and criminal investigative functions within the DoD.
  - a. The Audit Policy and Oversight Directorate (APO) provides audit policy and oversight for Audit, the Military Departments' audit organizations, the Defense Contract Audit Agency (DCAA), other Defense audit organizations, and for public accounting firms auditing DoD activities under the Single Audit Act. APO also conducts and oversees peer reviews of 21 DoD audit organizations and DoD-wide policy on performing inspections and evaluations.
  - b. The Investigative Policy and Oversight Directorate (IPO) provides investigative policy and oversight for the DoD criminal investigative and law enforcement community and manages the DoD Subpoena and Contractor Disclosure programs. IPO evaluates sexual assault and other violent crime investigations and determines compliance with U.S. Government law and investigative standards for the DoD and Military Services.



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**IV. Performance Criteria and Evaluation Summary:**

- c. The Technical Assessment Directorate (TAD) conducts technical engineering assessments to improve Defense system acquisitions, operations, and sustainment by proactively addressing issues of concern to Congress, DoD, and the public. TAD also provides engineering subject matter experts for the other DoD OIG Components, as needed.

P&O is requesting \$18,790,000 and 101 FTE in FY 2020.

Summary of Performance:

FY 2018

- Performed 140 reviews of single audit reports covering \$5.0 billion in DoD funds and issued 87 memorandums that identified 105 findings and \$15 million in questioned costs.
- Administered peer reviews of five DoD audit organizations and provided oversight on contracting officers' actions related to 2,115 open and closed DCAA contract audit reports with more than \$12 billion in potential savings.

FY 2019

- Continue to focus on policy and oversight of DoD audit and criminal investigative organizations' efforts to identify and detect fraud, waste, and abuse, including managing the DoD Subpoena and Contractor Disclosure Program, internal control and fraud assessments, guidance, and training.
- Monitor DCAA fraud referrals and efforts on contractor disclosures, and provide input to DCAA revisions to its fraud-related audit guidance.

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**IV. Performance Criteria and Evaluation Summary:**

- Review all single audit reports for audit findings that require follow-up actions from grant and contracting officers.
- Investigate complaints about the thoroughness of death investigations and oversight of sex crime investigations.
- Provide oversight of Military Criminal Investigative Organizations' criminal investigative programs and operations in both general investigative and violent crime areas.
- Perform technical assessments to address issues of concern to Congress, DoD, and the public.
- Conduct military housing safety inspections in the United States and overseas.

FY 2020

- Continue P&O's policy and oversight mission to evaluate significant DoD programs and operations, process subpoenas and contractor disclosures within the required timeframe, coordination of draft DoD policy, and maintain currency of DoD audit/investigative policies.

<b>OIG OP-5 PERFORMANCE METRICS</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>
<b><u>Policy and Oversight</u></b>			
Audit Policy and Oversight Reports	12	10	11

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**IV. Performance Criteria and Evaluation Summary:**

Investigative Policy and Oversight Reports	3	5	5
Contractor disclosures submitted	193	220	230
Subpoenas issued	1,214	1,175	1,200
Technical Assessment Reports	7	4	5
Engineering support to other Component projects	7	7	8
Coordination of Draft DoD Policy Issuances	257	265	275

FY18 ACTUAL		FY19 ENACTED		FY20 REQUEST	
\$8,751	49 FTE	\$7,237	47 FTE	\$9,267	50 FTE

**Intelligence and Special Program Assessments (ISPA):** Conducts evaluations across the full spectrum of programs, policies, procedures, and functions of the intelligence and counterintelligence enterprises, special access programs, the nuclear enterprise, and related security issues within the Department of Defense. In FY 2020, ISPA is requesting \$9,267,000 and 50 FTEs to conduct its oversight efforts.

Summary of Performance:

FY 2018

- Issued 12 reports containing 70 recommendations to improve the economy, efficiency, and operations of the Department of Defense and its associated role in the Intelligence Community.

DoD OIG OP-5 Exhibit

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**IV. Performance Criteria and Evaluation Summary:**

FY 2019

- Plan to complete 20 evaluations concerning the intelligence and counterintelligence enterprises, special access programs, the nuclear enterprise, and related security challenges within the Department of Defense.
- Focus on oversight of intelligence for OCOs.
- Expand space, nuclear, missile defense evaluations.

FY 2020

- Plan to complete 20 evaluations concerning the intelligence and counterintelligence enterprises, special access programs, the nuclear enterprise, and related security issues within the Department of Defense.
- Expand Signals Intelligence oversight.

Performance Criteria and Evaluation Summary			
OIG OP-5 PERFORMANCE METRICS	FY 2018	FY 2019	FY 2020
	Actual	Estimate	Estimate
<b><u>Intelligence and Special Program Assessments</u></b>			
Annual Plan Projects	12	20	20
Issue Oversight Reports	10	20	20
Reduce average elapsed days to complete final reports	427	325	300

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**IV. Performance Criteria and Evaluation Summary:**

FY18 ACTUAL		FY19 ENACTED		FY20 REQUEST	
\$92,499	226 FTE	\$102,095	228 FTE	\$112,638	246 FTE

**Mission Support Team (MST):** Provides essential mission support services to the entire 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, quality assurance and standards oversight, data analytics support, and correspondence management. MST centrally finances and supports over 50 OIG field offices worldwide, including all OIG IT operations. MST also funds and supports the Defense Case Activity Tracking System - Enterprise (DCATSe) Program Management Office to establish and sustain a single DoD-wide system for the management of administrative investigation information. In FY 2020, MST is requesting \$112,638,000 and 246 FTE to provide operational support for the OIG.

**Summary of Performance:**

FY 2018

- Accelerated hiring and achieved highest number of OIG accessions since FY 2005 and highest OIG end strength since FY 2011.
- Increased financial management performance by fully implementing the Defense Agency Initiative system and developing a bi-weekly status of funds report.
- Published the 5-year OIG Strategic Plan, Human Capital Operating Plan, and Diversity and Inclusion Strategic Plan.
- Increased OIG Data Analytics staff and capabilities.
- Increased IT security by fully implementing Windows 10 ahead of mandated timelines.

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**IV. Performance Criteria and Evaluation Summary:**

- Opened a field office in Baghdad.

FY 2019

- Transition OIG IT data hosting and network support from the Joint Service Provider to the Defense Information Systems Agency.
- Increase Data Analytics computational capacity.
- Establish DCATSe as production-ready.
- Implement quarterly resource management review board.
- Complete Columbus, OH and Ft. Meade, MD field office renovations.
- Expand acquisitions and facilities governance efforts.

FY 2020

- Expand Insider Threat monitoring capabilities.
- Recapitalize the Defense Media Examination Network (DMEN).
- Improve IT security and conduct lifecycle replacement of various IT equipment.
- Relocate the DCIS Mid-Atlantic Field Office.

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<b>V. <u>Personnel Summary</u></b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>	<b><u>Change FY 2018/ FY 2019</u></b>	<b><u>Change FY 2019/ FY 2020</u></b>
<u>Active Military End Strength (E/S) (Total)</u>	<u>25</u>	<u>25</u>	<u>22</u>	<u>0</u>	<u>-3</u>
Officer	24	24	21	0	-3
Enlisted	1	1	1	0	0
<u>Reserve Drill Strength (E/S) (Total)</u>	<u>0</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>0</u>
Officer	0	9	9	9	0
<u>Civilian End Strength (Total)</u>	<u>1,605</u>	<u>1,545</u>	<u>1,643</u>	<u>-60</u>	<u>98</u>
U.S. Direct Hire	1,604	1,544	1,642	-60	98
Total Direct Hire	1,604	1,544	1,642	-60	98
Foreign National Indirect Hire	1	1	1	0	0
<u>Active Military Average Strength (A/S) (Total)</u>	<u>25</u>	<u>25</u>	<u>22</u>	<u>0</u>	<u>-3</u>
Officer	24	24	21	0	-3
Enlisted	1	1	1	0	0
<u>Reserve Drill Strength (A/S) (Total)</u>	<u>0</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>0</u>
Officer	0	9	9	9	0
<u>Civilian FTEs (Total)</u>	<u>1,508</u>	<u>1,515</u>	<u>1,614</u>	<u>7</u>	<u>99</u>
U.S. Direct Hire	1,507	1,514	1,613	7	99
Total Direct Hire	1,507	1,514	1,613	7	99
Foreign National Indirect Hire	1	1	1	0	0
Average Annual Civilian Salary (\$ in thousands)	173.0	164.1	164.0	-8.9	-0.1
<u>Contractor FTEs (Total)</u>	<u>117</u>	<u>111</u>	<u>114</u>	<u>-6</u>	<u>3</u>

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Average Annual Civilian Salary includes OP32 lines 199+901+902-110/FTEs = Avg Civ Pay \$

- 1) Civilian Compensation per OMB A-11 Compensable Days and Hours for FY 2019 at 261 days and 2,088 hours. OMB FY 2019 PB Civ Pay Rate is 0%
- 2) Civilian Compensation per OMB A-11 Compensable Days and Hours for FY 2020 at 262 days and 2,088 hours. OMB FY 2019 PB Civ Pay Rate is 2.1%
- 3) FY19 and FY20 O&M Civilian FTEs for US Direct Hire include 300 law enforcement officer FTEs, all eligible for Law Enforcement Availability Pay under Office of Personnel Management standards. In accordance with these standards, law enforcement officers receive additional civilian pay in addition to their basic pay (5 U.S.C. 5545a - Availability Pay for Criminal Investigators).
- 4) O&M Increase of (+3) Contractor FTEs, supports the IT Contract Support Services, in which the OIG's focus is to maintain an effective and efficient IT enterprise that ensures the confidentiality of all OIG data.



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

<u>OP 32 Line</u>	<u>FY 2018</u> <u>Actuals</u>	<u>Change</u> <u>FY 2018/FY 2019</u>		<u>FY 2019</u> <u>Enacted</u>	<u>Change</u> <u>FY 2019/FY 2020</u>		<u>FY 2020</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
101 Exec, Gen'l & Spec Scheds	259,031	1,321	-13,823	246,529	0	16,085	262,614
111 Disability Compensation	939	0	19	958	0	19	977
121 PCS Benefits	870	0	80	950	0	0	950
<b>199 Total Civ Compensation</b>	<b>260,840</b>	<b>1,321</b>	<b>-13,724</b>	<b>248,437</b>	<b>0</b>	<b>16,104</b>	<b>264,541</b>
308 Travel of Persons	8,587	155	-3,181	5,561	111	660	6,332
<b>399 Total Travel</b>	<b>8,587</b>	<b>155</b>	<b>-3,181</b>	<b>5,561</b>	<b>111</b>	<b>660</b>	<b>6,332</b>
677 DISA Telecomm Svcs - Reimbursable	1,479	28	-298	1,209	24	145	1,378
<b>699 Total DWCF Purchases</b>	<b>1,479</b>	<b>28</b>	<b>-298</b>	<b>1,209</b>	<b>24</b>	<b>145</b>	<b>1,378</b>
771 Commercial Transport	339	6	423	768	15	100	883
<b>799 Total Transportation</b>	<b>339</b>	<b>6</b>	<b>423</b>	<b>768</b>	<b>15</b>	<b>100</b>	<b>883</b>
901 Foreign National Indirect Hire (FNIH)	110	1	4	115	0	-3	112
912 Rental Payments to GSA (SLUC)	6,786	122	338	7,246	145	1,143	8,534
913 Purchased Utilities (Non-Fund)	168	3	-49	122	2	20	144
914 Purchased Communications (Non-Fund)	1,819	33	3	1,855	37	224	2,116
915 Rents (Non-GSA)	10,995	198	1,479	12,672	253	1,903	14,828
917 Postal Services (U.S.P.S)	13	0	7	20	0	1	21
920 Supplies & Materials (Non-Fund)	844	16	143	1,003	20	-44	979
921 Printing & Reproduction	142	3	10	155	3	-6	152
922 Equipment Maintenance By Contract	5,575	100	-357	5,318	106	-480	4,944
923 Facilities Sust, Rest, & Mod by Contract	3,984	72	1,852	5,908	118	-588	5,438
925 Equipment Purchases (Non-Fund)	3,126	56	3,032	6,214	124	-333	6,005
932 Mgt Prof Support Svcs	9,281	167	-3,421	6,027	121	-245	5,903
934 Engineering & Tech Svcs	2,871	52	-2,866	57	1	-2	56
957 Other Costs (Land and Structures)	32	1	-33	0	0	0	0
960 Other Costs (Interest and DoD OIG OP-5 Exhibit	3	0	3	6	0	0	6

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<u>OP 32 Line</u>	FY 2018 <u>Actuals</u>	Change FY 2018/FY 2019		FY 2019 <u>Enacted</u>	Change FY 2019/FY 2020		FY 2020 <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
Dividends)							
985 Research & Development, Contracts	2,800	0	4,152	6,952	0	-924	6,028
987 Other Intra-Govt Purch	8,474	152	-1,389	7,237	145	10,236	17,618
989 Other Services	5,683	102	-2,895	2,890	58	-208	2,740
990 IT Contract Support Services	3,536	64	5,901	9,501	190	5,050	14,741
<b>999 Total Other Purchases</b>	<b>66,242</b>	<b>1,142</b>	<b>5,914</b>	<b>73,298</b>	<b>1,323</b>	<b>15,744</b>	<b>90,365</b>
<b>Total</b>	<b>337,487</b>	<b>2,652</b>	<b>-10,866</b>	<b>329,273</b>	<b>1,473</b>	<b>32,753</b>	<b>363,499</b>

\* The FY 2018 Actual column includes \$18,468.0 thousand of FY 2018 Overseas Contingency Operations (OCO) Appropriations Funding (PL 115-141).

\* The FY 2019 Enacted column excludes \$24,692.0 thousand of FY 2019 OCO Appropriations Funding (PL 115-245).

\* The FY 2020 Estimate column excludes \$24,254.0 thousand of FY 2020 OCO Appropriations Funding.