

Fiscal Year (FY) 2021 Budget Estimates

Operation and Maintenance, Defense-Wide Office of Inspector General



February 2020

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**Office of Inspector General
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2021 Budget Estimates**

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

	FY 2019	Price	Program	FY 2020	Price	Program	FY 2021
	<u>Actuals</u>	<u>Change</u>	<u>Change</u>	<u>Enacted</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>
OIG	377,829	9,611	-23,941	363,499	5,907	2,033	371,439

* The FY 2019 Actual column includes \$22,964.0 thousand of FY 2019 OCO Appropriations Funding (P.L. 115-245).

* The FY 2020 Enacted column excludes \$24,254.0 thousand of FY 2020 OCO Appropriations Funding (P.L. 116-93).

* The FY 2021 Estimate column excludes \$24,069.0 thousand of FY 2021 OCO Appropriations Funding.

* The FY 2019 OCO Actual from the footnote above does not match the data in the OSD budget database due to a disconnect discovered after budget database had locked; the footnote reflects the correct FY 2019 Actual OCO Appropriation Funding.

I. Description of Operations Financed:

The mission of the Department of Defense (DoD) Office of Inspector General (OIG) is to detect and deter fraud, waste, and abuse in the DoD programs and operations; promote the economy, efficiency, and effectiveness of the DoD; and help ensure ethical conduct throughout the DoD. The DoD OIG audits, investigates, and evaluates the programs and operations of the DoD, and executes its mission and responsibilities through the activities of four oversight components, plus the Office of General Counsel and mission support functions.

During FY 2019, the DoD OIG reorganized its three components that conduct program evaluations (Intelligence and Special Program Assessments, Policy and Oversight, and Special Plans and Operations) into a single Evaluations component. This reorganization was designed to improve the efficiency and effectiveness of the OIG's evaluations function. This budget submission reflects the new organization structure.

The aggregate FY 2021 budget request for base and OCO for the operations of the DoD OIG is \$395.508 million: \$369.483 million Operation and Maintenance (O&M), \$1.098 million

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I. Description of Operations Financed (cont.)

Research, Development Test and Evaluation, \$0.858 million Procurement, and \$24.069 million O&M Overseas Contingency Operations.

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 DoD programs, operations, and stewardship of 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.
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 the DoD. During FY 2019, as part of the evaluations reorganization, the DoD OIG realigned the contractor disclosure program to AI. This program 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.

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I. Description of Operations Financed (cont.)

4. **Evaluations (EVAL):** Provides independent, relevant, and timely evaluations across the full spectrum of DoD programs, operations, and functions including readiness, combatant command (COCOM) operations, various intelligence operations, the nuclear enterprise, and special programs. EVAL also provides policy for oversight of DoD audit and investigative activities and conducts engineering evaluations of DoD programs.
5. **Office of General Counsel (OGC):** Provides legal advice and counsel 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. **Mission Support:** Provides essential mission support services to the OIG operational components, including human resources, budget and finance, security, quality assurance, data analytics, strategic planning, information technology, acquisition, and logistical support at the DoD OIG headquarters and at field offices located throughout the world. Mission Support finances these activities and also operates the Defense Case Activity Tracking System (DCATS) Program Management Office to develop, deploy, and sustain the Defense Case Activity Tracking System - Enterprise (DCATSe) for the DoD oversight community.

II. Force Structure Summary:

N/A

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III. Financial Summary (\$ in thousands)

A. BA Subactivities	FY 2020							FY 2021 Estimate
	FY 2019 Actuals	Budget Request	Congressional Action			Current Enacted		
			Amount	Percent	Appropriated			
1. Audit	83,300	92,653	0	0.0	92,653	92,653	97,171	
2. Defense Criminal Investigative Service/ Investigations	90,789	92,049	0	0.0	92,049	92,049	94,772	
3. Administrative Investigations	24,740	26,132	0	0.0	26,132	26,132	25,420	
4. Evaluations	34,868	36,753	0	0.0	36,753	36,753	31,291	
5. Mission Support	117,300	111,435	0	0.0	111,435	111,435	119,625	
6. Cyber Security	0	1,179	0	0.0	1,179	1,179	1,204	
7. Overseas Contingency Operations	22,964	0	0	n/a	0	0	0	
8. RDT&E	3,839	2,965	0	0.0	2,965	2,965	1,098	
9. Procurement	29	333	0	0.0	333	333	858	
Total	377,829	363,499	0	0.0	363,499	363,499	371,439	

* The FY 2019 Actual column includes \$22,964.0 thousand of FY 2019 OCO Appropriations Funding (P.L. 115-245).

* The FY 2020 Enacted column excludes \$24,254.0 thousand of FY 2020 OCO Appropriations Funding (P.L. 116-93).

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III. Financial Summary (\$ in thousands)

<u>B. Reconciliation Summary</u>	<u>Change</u> <u>FY 2020/FY 2020</u>	<u>Change</u> <u>FY 2020/FY 2021</u>
Baseline Funding	363,499	363,499
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Subtotal Appropriated Amount	363,499	
Fact-of-Life Changes (2020 to 2020 Only)		
Subtotal Baseline Funding	363,499	
Supplemental	24,254	
Reprogrammings		
Price Changes		5,907
Functional Transfers		
Program Changes		2,033
Current Estimate	387,753	371,439
Less: Wartime Supplemental	-24,254	
Normalized Current Estimate	363,499	

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III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2020 President's Budget Request (Amended, if applicable)		363,499
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
FY 2020 Appropriated Amount		363,499
2. War-Related and Disaster Supplemental Appropriations		24,254
a. OCO Supplemental Funding		
1) War-Related and Disaster Supplemental Appropriations	24,254	
3. Fact-of-Life Changes		
FY 2020 Baseline Funding		387,753
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2020 Estimate		387,753
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings		-24,254
FY 2020 Normalized Current Estimate		363,499
6. Price Change		5,907
7. Functional Transfers		
8. Program Increases		16,155
a. Annualization of New FY 2020 Program		
b. One-Time FY 2021 Increases		
c. Program Growth in FY 2021		
1) Civilian Compensation & Benefits	6,791	
+\$6,791 thousand is attributed to an increase in the civilian pay rate and an increase in funding for awards. (FY 2020 Baseline: \$264,565 thousand; Baseline FTEs: 1,613; +0 FTEs)		
2) IT Contract Support Services	3,877	

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III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
+ \$3,877 thousand is attributed to an increase in IT support services to sustain the move of OIG data from the Mark Center to a DISA data center. (FY 2020 Baseline: \$14,741 thousand)		
3) Travel of Persons	2,128	
+ \$2,128 is attributed to an increase in oversight work. (FY 2020 Baseline: \$6,332 thousand)		
4) Mgt Prof Support Svcs	1,869	
+ \$1,869 thousand is attributed to an increase in contractor FTE across Mgmt Prof Support Svcs contracts. (FY 2020 Baseline: \$5,903 thousand)		
5) Equipment Maintenance By Contract	701	
+ \$701 thousand is attributed to increase in IT support caused by an increase in OIG FTEs. (FY 2020 Baseline: \$4,944 thousand)		
6) Supplies & Materials (Non-Fund)	465	
+ \$465 thousand is attributed to an increase in personnel usage. (FY 2020 Baseline: \$979 thousand)		
7) DISA Telecomm Services - Reimbursable	197	
+ \$197 thousand is attributed to an increase in rates and personnel usage. (FY 2020 Baseline: \$1,378 thousand)		
8) Foreign National Indirect Hire (FNIH)	82	
+ \$82 thousand is attributed to FNIH cost changes. (FY 2020 Baseline: \$112 thousand; Baseline FTEs: 1)		
9) Purchased Utilities (Non-Fund)	45	
+ \$45 thousand is attributed to an increase in rates and personnel usage. (FY 2020 Baseline: \$144 thousand)		

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III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
9. Program Decreases		-14,122
a. Annualization of FY 2020 Program Decreases		
b. One-Time FY 2020 Increases		
c. Program Decreases in FY 2021		
1) Research & Development, Contracts	-4,930	
-\$4,930 thousand is attributed to a reduction in system development requirements for DCATSe and CRIMS. (FY 2020 Baseline: \$6,028 thousand)		
2) Rents (Non-GSA)	-3,373	
-\$3,373 thousand is attributed to a reduction in rental costs. (FY 2020 Baseline: \$14,828 thousand)		
3) Facilities Sust, Rest & Mod By Contract	-1,955	
-\$1,955 thousand is attributed to a reduction in mission requirements for field office relocations. (FY 2020 Baseline: \$5,438 thousand)		
4) Rental Payments to GSA (SLUC)	-1,519	
-\$1,519 thousand is attributed to a reduction in rental costs. (FY 2020 Baseline: \$8,534 thousand)		
5) Other Services	-1,250	
-\$1,250 thousand is attributed to a reduction in mission requirements for Other Services. (FY 2020 Baseline: \$2,740 thousand)		
6) Commercial Transportation	-556	
-\$556 thousand is attributed to a reduction in PCS transportation costs. (FY 2020 Baseline: \$883 thousand)		
7) Equipment Purchases (Non-Fund)	-230	
-\$230 thousand is attributed to a reduction in mission requirements for IT lifecycle replacement		

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C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
equipment. (FY 2020 Baseline: \$6,005 thousand)		
8) Purchased Communications (Non-Fund)	-134	
-\$134 thousand is attributed to a reduction in mission requirements for Purchased Communications. (FY 2020 Baseline: \$2,116 thousand)		
9) Other Intra-Govt Purchases	-102	
-\$102 thousand is attributed to a reduction in mission requirements for Intra-Gov't Purchases. (FY 2020 Baseline: \$17,594 thousand)		
10) Printing & Reproduction	-46	
-\$46 thousand is attributed to a reduction in mission requirements for Printing & Reproduction. (FY 2020 Baseline: \$152 thousand)		
11) Postal Services (U.S.P.S.)	-14	
-\$14 thousand is attributed to a reduction in mission requirements for Postal Services (U.S.P.S.). (FY 2020 Baseline: \$21 thousand)		
12) Engineering & Tech Svcs	-13	
-\$13 thousand is attributed to a reduction in mission requirements for Engineering & Tech Svcs. (FY 2020 Baseline: \$56 thousand)		
FY 2021 Budget Request		371,439

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IV. Performance Criteria and Evaluation Summary:

FY19 ACTUAL		FY20 ENACTED		FY21 REQUEST	
\$83,300	573 FTE	\$92,653	584 FTE	\$97,171	581 FTE

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 DoD programs and operations. In the Audit component:

- o 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. In addition, ACS performs audits of the DoD's ability to provide comprehensive and cost-effective health care.
- o The Cyberspace Operations (CSO) Directorate performs audits of offensive and defensive cyber operations, and of security controls that protect the DoD information networks.
- o 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.
- o The Readiness and Global Operations (RGO) Directorate performs audits across the DoD, including the 10 combatant commands, to ensure that the warfighter is appropriately equipped and trained and that equipment is maintained and ready for assigned missions.

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IV. Performance Criteria and Evaluation Summary:

- o The Follow-up Division determines whether DoD management implemented DoD OIG recommendations. As of August 28, 2019, there were more than 1,500 open recommendations. In addition, the Follow-up Division regularly meets with senior DoD officials to discuss open recommendations and what is required to close them.

Summary of Performance:

FY 2019

- Audit issued 82 reports in FY 2019 that identified about \$2.4 billion in questioned costs and \$1.3 billion in funds that could be better used. With the corrective actions that the DoD implemented as a result of prior DoD OIG audit recommendations, the DoD realized savings of \$290 million, a \$352,000 return on investment per each Audit staff member.
- Based on actions taken by the DoD in response to the FY 2018 Compendium of Open Office of Inspector General Recommendations, Audit has closed 597 of the 1,558 open recommendations and updated the Compendium for FY 2019. The updated Compendium identifies 1,581 open recommendations that contain potential monetary benefits totaling \$4.8 billion.
- Audit conducted 42 oversight projects that addressed 16 Congressional mandates, including the Chief Financial Officers Act, Digital Accountability and Transparency Act, Cybersecurity Information Security Act, Grants Oversight and New Efficiency Act, and Improper Payments Elimination and Recovery Act. In response to

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IV. Performance Criteria and Evaluation Summary:

Congressional requests, Audit also audited spare parts purchased from TransDigm Group, Inc. Audit also supported the DoD OIG review related to Congressional interest in the DoD's procurement of the Joint Enterprise Defense Infrastructure. Audit provided 23 briefings to Congressional members and staff on many subjects, such as TransDigm Group, Inc.'s overcharging for spare parts, the F-35 Joint Strike Fighter acquisitions program, and the DoD Financial Statements audit. In addition, the Principal Deputy Inspector General, Performing the Duties of the Inspector General, and Assistant Inspector General for Acquisitions, Contracting, and Sustainment testified before the Committee on Oversight and Reform on TransDigm Group, Inc's excess profits on sole-source parts.

- Audit determined that Army, Navy, and Air Force officials did not correct problems identified in prior DoD OIG reports related to security safeguards to protect SIPRNET access points, which could threaten the life and safety of DoD personnel, negatively impact military programs and operations, and lead to the accidental or negligent exposure of classified information. Additionally, Audit performed multiple classified audits that resulted in the Secretary of Defense and the Deputy Secretary of Defense taking immediate action to correct identified weaknesses.

Audit also ensured that the DoD's financial statements underwent a full audit in FY 2019. The DoD OIG, and five contracted independent public accounting firms overseen by the DoD OIG, performed 30 financial statement audits and financial system audits and attestations. The auditors closed over 600 FY 2018 notifications of findings and recommendations (NFRs), reissued approximately 1,800 FY 2018 NFRs, and issued approximately 1,500 new FY 2019 NFRs. These findings and recommendations identified

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IV. Performance Criteria and Evaluation Summary:

deficiencies that, if corrected, can improve the operational readiness of the DoD, and the reliability of the DoD's financial data.

FY 2020

1. Audit will continue focusing on oversight that addresses the DoD's priorities and on audits identified through outreach with senior DoD officials, Congressional requests, Hotline tips, and DoD OIG expertise. Focus areas in FY 2020 include critical challenges in healthcare, weapons systems acquisition and sustainment, cyber security and operations, and force readiness.
- 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 systems audits. Audit will oversee more than 1,000 contracted auditors that perform 32 financial statements and systems audits and attestations that support the DoD consolidated financial statements. The focus in FY 2020 will be 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 provide recommendations to standardize DoD business processes and to improve the quality of financial data and reliability of the DoD's systems. Audit will also follow up on over 3,000 outstanding NFRs to determine if corrective actions have been implemented.
- Audit will continue to focus on controls over opioid prescriptions, DoD's use of additive manufacturing for sustainment parts, contracts awarded to Service-Disabled

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IV. Performance Criteria and Evaluation Summary:

Veteran-Owned Small Businesses, TransDigm Group, Inc's business model and its effect on DoD spare parts pricing, DLA's Captains of Industry contracts for weapon system platforms, supply chain risk management for a U.S. nuclear delivery system, DoD's use of emerging technologies, and information technology and software acquisition and contracting.

FY 2021

- 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.
- Audit will also continue focusing on acquisition, contracting, sustainment, cyberspace operations, financial management, and military and program readiness and global operations.

Performance Criteria and Evaluation Summary			
OIG OP-5 PERFORMANCE METRICS	FY 2019	FY 2020	FY 2021
	Actual	Estimate	Estimate
<u>AUDIT</u>			
Reports issued	82	110	110

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IV. Performance Criteria and Evaluation Summary:

Potential monetary benefits (in millions)	\$3,700	1	1
Achieved monetary benefits (in millions)	\$290	1	1

Note 1: 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 DoD. As a reference, Audit's 3-year average is \$2.3 billion in potential monetary benefits identified and about \$317 million in achieved benefits.

FY19 ACTUAL		FY20 ENACTED		FY21 REQUEST	
\$90,789	416 FTE	\$92,049	422 FTE	\$94,772	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 operates the Case Reporting and Information Management System (CRIMS) and Digital Media Examination Network (DMEN) in support of their business functions and mission requirements.

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IV. Performance Criteria and Evaluation Summary:

FY 2021 funds and personnel will be used to refine proactive investigative priorities; enhance collaboration with the DoD OIG's Data Analytics program; expand the focus on investigative priorities with additional 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 85 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 investigative resources.

Performance Criteria and Evaluation Summary			
DCIS OP-5 PERFORMANCE METRICS	FY 2019	FY 2020	FY 2021
	Actual	Estimate	Estimate
Criminal charges	343	250	250
Criminal convictions	274	187	189
Civil judgments and settlements, criminal fines, penalties and restitution	\$1.676 bil	\$1.0 bil	\$1.0 bil
Recovered Government property and administrative recoveries	\$20.1 mil	\$4.2 mil	\$4.3 mil

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IV. Performance Criteria and Evaluation Summary:

Suspension of contractors	164	115	118
Debarment of contractors	172	181	185

FY19 ACTUAL		FY20 ENACTED		FY21 REQUEST	
\$24,740	155 FTE	\$26,132	159 FTE	\$25,420	159 FTE

Administrative Investigations (AI): Administrative Investigations (AI) conducts and performs oversight of investigations of allegations of misconduct by senior DoD officials and of whistleblower reprisal; operates the DoD Hotline for reporting fraud, waste, abuse, and threats and danger to the public health and safety of DoD; performs the DoD Whistleblower Protection Coordinator function, which is responsible for educating DoD employees on whistleblower statutory prohibitions and protections; and operates the Contractor Disclosure Program, which provides DoD contractors a way of reporting certain violations of criminal law and the Civil False Claims Act discovered during self-policing activities. In the AI component:

- 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.
- The Investigations of Senior Officials (ISO) Directorate investigates allegations of misconduct against general and flag officers, members of the Senior Executive

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IV. Performance Criteria and Evaluation Summary:

Service, and Presidential Appointees, and conducts over 15,000 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.

- 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.
- The Contractor Disclosure Program 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.

Summary of Performance:

FY 2019

- As a result of the evaluations reorganization, AI assumed responsibility for the DoD OIG Contractor Disclosure Program. AI developed a strategic plan for the program, and began integrating contractor disclosure cases into the Defense Case Activity Tracking System and the Hotline process.
- Established a permanent, nine-member team to perform reviews of investigative operations of military service, defense agency and COCOM IGs. Completed the first ever review of the Marine Corps Office of Inspector General.

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IV. Performance Criteria and Evaluation Summary:

- Hosted the Hotline Working Group (HLWG) with Military Service and Joint Staff IGs. The HLWG identified and implemented improved investigative processes, changes in policy, and standardized investigative processes intended to improve the timeliness of whistleblower reprisal investigations.
- Improved the Whistleblower Reprisal Investigations Directorate performance by reducing the backlog of open cases and reducing the age of the open case inventory.
-
- Resolved 61 whistleblower reprisal complaints through the Alternative Dispute Resolution Program.
- Completed a high priority senior official investigation in 38 days using a team process that significantly improved the efficiency and timeliness of the investigation process.

FY 2020

AI will continue to improve performance by leveraging additional resources, improving processes and:

- Convening a High Level Working Group with the Military Services and Joint Staff to identify necessary policy changes and standardized investigative processes to improve the timeliness of senior official investigations.

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IV. Performance Criteria and Evaluation Summary:

- Implementing a DoD Inspector General Administrative Investigator Certification program for IG personnel across the Department of Defense.

FY 2021

AI will:

- Enhance quick reaction and surge capabilities to investigate allegations against DoD senior officials that are of immediate Congressional and Secretary of Defense concern.
- Seek to standardize investigative processes for whistleblower reprisal and senior official investigations across the Department of Defense.
- Perform reviews of Hotline, whistleblower reprisal and senior official investigations across the Military Services and Defense Agencies.
- Continue to conduct professional training for the IG community for writing reports of investigation and interviewing, conduct the whistleblower reprisal basic investigations course and the DoD Hotline Investigator Course.

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 180 days; Whistleblower Reprisal Investigations (WRI) within 180 days for military and contractor cases and 240 days for civilian and NAFI employees, DCIPS employees, and DoD

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IV. Performance Criteria and Evaluation Summary:

personnel with access to classified information (PPD-19); make priority 1 Hotline referrals in one business day; and review DoD Hotline completion reports in 10 business days.

In FY 2019, ISO closed 35 investigations, four (36%) in 180 days or less; 52 military and contractor reprisal investigations, 11 (35%) in 180 days or less; and 21 NAFI, IG Act, and PPD-19 investigations, 8 (38%) in 240 days or less. The DoD Hotline made 247 Priority 1 referrals related to life, health, safety concerns, 200(81%) in one work day or less. The Hotline also reviewed 785 Hotline Completion Reports, of which 739(94%) were reviewed in 10 work days or less.

During FY 2019, AI conducted an annual training symposium and the DoD Hotline Worldwide Outreach and Observance of National Whistleblower Appreciation Day, which were attended personnel from across the DoD, Federal government, and news media. In addition, AI conducted 64 external outreach and training events reaching 5,736 attendees.

Performance Criteria and Evaluation Summary			
OIG OP-5 PERFORMANCE METRICS	FY 2019	FY 2020	FY 2021
	Actual	Estimate	Estimate
Investigations of Senior Officials complaints received	896	986	1084
Investigations of Senior Officials complaints closed	855	894	938
Whistleblower Reprisal Investigations complaints received	2,121	2,335	2,568
Whistleblower Reprisal Investigations complaints closed	2,071	2,179	2,288
DoD Hotline contacts received	13,956	14,322	14,698

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IV. Performance Criteria and Evaluation Summary:

DoD Hotline cases referred	7,090	7,308	7,531
Contractor disclosures received	180	362	400

FY19 ACTUAL		FY20 ENACTED		FY21 REQUEST	
\$34,868	194 FTE	\$36,753	193 FTE	\$31,291	191 FTE

Evaluations (EVAL): Provides independent, relevant, and timely evaluations across the full spectrum of programs, operations, and functions of the DoD. In the EVAL component:

- Program, Combatant Commands, & Overseas Contingency Operations Directorate conducts evaluations related to national security issues, Congressional requests, and significant DoD programs and operations.
- Space, Intelligence, Engineering, & Oversight (SIE&O) Directorate 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. SIE&O also provides policy guidance and oversight for the audit and criminal investigation functions within the DoD.

Summary of Performance:

FY 2019

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IV. Performance Criteria and Evaluation Summary:

- Completed 38 reports on a wide array of DoD programs and operations. Notable evaluations included: Evaluation of the United States Air Force Academy's Response to Incidences of Sexual Assault and Victim Care; Evaluation of Targeting Operations in U.S. Central Command Area of Responsibility; Evaluation of DoD Adoption of Artificial Intelligence to Help, Process, Exploit, and Disseminate Intelligence (Project Maven); and the External Peer Review of the Defense Contract Audit Agency.
- Performed 119 reviews of single audit reports covering \$8.4 billion in DoD funds and issued 126 memorandums that identified 161 findings and \$1.4 million in questioned costs. EVAL also administered peer reviews of four DoD audit organizations and provided oversight on contracting officers' actions related to 2,343 open and closed contract audit reports with more than \$13.7 billion in potential savings.

FY 2020

- Evaluate key DoD programs and operations including:
 - DoD's submission of criminal history data to the FBI,
 - DoD's handling of incidents of sexual assault at the U.S. Military Academy,
 - Health and safety hazards at government-owned and government-controlled military family housing,
 - Military construction at Niger Air Base 201,
 - DoD security controls for Intelligence Surveillance and Reconnaissance (ISR) supply chains focusing on ISR platforms used by the U.S. Pacific Command,
 - Air refueling support to the U.S. Strategic Command nuclear deterrence mission,
 - Air Force certification of the SpaceX Falcon Launch Vehicle family, and
 - Mental health access to care in the DoD.

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IV. Performance Criteria and Evaluation Summary:

FY 2021

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

Performance Criteria and Evaluation Summary			
OIG OP-5 PERFORMANCE METRICS	FY 2019	FY 2020	FY 2021
	Actual	Estimate	Estimate
<u>Evaluations (EVAL)</u>			
EVAL Reports	38	50	50

FY19 ACTUAL		FY20 ENACTED		FY21 REQUEST	
\$117,300	189 FTE	\$111,435	190 FTE	\$119,625	196 FTE

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IV. Performance Criteria and Evaluation Summary:

Mission Support Team (MST): Provides essential mission support services to the entire 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, quality assurance and standards oversight, data analytics support, and correspondence management. MST centrally finances and supports over 50 DoD OIG field offices worldwide, and all DoD OIG IT operations. MST also funds and operates 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. MST continually improves the efficiency and effectiveness of the DoD OIG through a wide array of annual initiatives aligned with the DoD OIG Strategic Plan, Human Capital Operating Plan, and Diversity and Inclusion Strategic Plan.

Summary of Performance:

FY 2019

- Implemented the consolidation of three evaluations components to strengthen business processes and perform timely, high quality, and impactful evaluations that improve DoD programs and operations.
- Worked extensively with the Defense Information Systems Agency (DISA) to prepare for the upcoming migration of DoD OIG data center infrastructure from the Mark Center to a DISA Defense Enterprise Computing Center.

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IV. Performance Criteria and Evaluation Summary:

- Increased the DoD OIG's Data Analytics capacity.
- Implemented the quarterly DoD OIG Facilities Governance Board to review the status of all ongoing field office sustainment, restoration, and modernization projects and proactively assess resource requirements for all OIG locations.
- Streamlined the DoD OIG telework process.
- Achieved the highest DoD OIG staffing level in the agency's history.
- Received full certification of the DoD OIG's SES program from the Office of Personnel Management.
- Developed a comprehensive FY 2020 DoD OIG Oversight Plan.
- Established to DoD OIG's Enterprise Risk Management Framework.
- Received an unmodified opinion on the DoD OIG's FY 2018 financial statements.

FY 2020

- Continue to expand the DoD OIG's Data Analytics program.
- Transition DoD OIG IT data hosting and network support from the Joint Service Provider to DISA. This includes providing operational support to implement expanded

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IV. Performance Criteria and Evaluation Summary:

Data Analytics capabilities and field the Defense Case Activity Tracking System - Enterprise (DCATSe) to other DoD oversight organizations, and transitioning hosting of the Digital Media Examination Network (DMEN) to the Defense Cyber Crime Center.

- Continue to improve IT security and conduct lifecycle replacement of IT hardware.
- Complete the Columbus, OH and FT Meade, MD field office renovation projects.
- Implement the DoD OIG Enterprise Risk Management program.
- Establish DCATSe as production-ready and begin deploying DCATSe beyond the DoD OIG.

FY 2021

- Further deploy D-CATSe to additional Service IGs, Defense Agencies, and Combatant Commands.
- Relocate the DCIS Mid-Atlantic Field Office from the Mark Center in Alexandria, VA to a discrete, non-DoD facility.

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V. <u>Personnel Summary</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>Change FY 2019/ FY 2020</u>	<u>Change FY 2020/ FY 2021</u>
<u>Active Military End Strength (E/S) (Total)</u>	<u>18</u>	<u>22</u>	<u>22</u>	<u>4</u>	<u>0</u>
Officer	17	21	21	4	0
Enlisted	1	1	1	0	0
<u>Reserve Drill Strength (E/S) (Total)</u>	<u>3</u>	<u>9</u>	<u>9</u>	<u>6</u>	<u>0</u>
Officer	3	9	9	6	0
<u>Civilian End Strength (Total)</u>	<u>1,626</u>	<u>1,643</u>	<u>1,643</u>	<u>17</u>	<u>0</u>
U.S. Direct Hire	1,625	1,642	1,642	17	0
Total Direct Hire	1,625	1,642	1,642	17	0
Foreign National Indirect Hire	1	1	1	0	0
<u>Active Military Average Strength (A/S) (Total)</u>	<u>18</u>	<u>22</u>	<u>22</u>	<u>4</u>	<u>0</u>
Officer	17	21	21	4	0
Enlisted	1	1	1	0	0
<u>Reserve Drill Strength (A/S) (Total)</u>	<u>3</u>	<u>9</u>	<u>9</u>	<u>6</u>	<u>0</u>
Officer	3	9	9	6	0
<u>Civilian FTEs (Total)</u>	<u>1,584</u>	<u>1,614</u>	<u>1,614</u>	<u>30</u>	<u>0</u>
U.S. Direct Hire	1,583	1,613	1,613	30	0
Total Direct Hire	1,583	1,613	1,613	30	0
Foreign National Indirect Hire	1	1	1	0	0
Average Annual Civilian Salary (\$ in thousands)	176.8	164.0	170.8	-12.8	6.8
<u>Contractor FTEs (Total)</u>	<u>150</u>	<u>114</u>	<u>125</u>	<u>-36</u>	<u>11</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 2020 at 262 days and 2,096 hours. FY 2020 PB Civ Pay Rate is 2.6%
- 2) Civilian Compensation per OMB A-11 Compensable Days and Hours for FY 2021 at 261 days and 2,088 hours. FY 2021 PB Civ Pay Rate is 1.0%
- 3) FY 2020 and FY 2021 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 (+11) Contractor FTEs, primarily supports the IT Contract Support Services to sustain the move of OIG data from the Mark Center to a DISA data center.

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

<u>OP 32 Line</u>	<u>FY 2019</u> <u>Actuals</u>	<u>Change</u> <u>FY 2019/FY 2020</u>		<u>FY 2020</u> <u>Enacted</u>	<u>Change</u> <u>FY 2020/FY 2021</u>		<u>FY 2021</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
101 Exec, Gen'l & Spec Scheds	277,837	7,724	-22,923	262,638	4,045	6,563	273,246
111 Disability Compensation	852	24	101	977	15	224	1,216
121 PCS Benefits	1,265	35	-350	950	15	4	969
199 Total Civ Compensation	279,954	7,783	-23,172	264,565	4,075	6,791	275,431
308 Travel of Persons	8,853	177	-2,698	6,332	127	2,128	8,587
399 Total Travel	8,853	177	-2,698	6,332	127	2,128	8,587
677 DISA Telecomm Svcs - Reimbursable	1,638	33	-293	1,378	0	197	1,575
696 DFAS Financial Operation (Other Defense Agencies)	2,863	6	-2,869	0	0	0	0
699 Total DWCF Purchases	4,501	39	-3,162	1,378	0	197	1,575
771 Commercial Transport	396	8	479	883	18	-556	345
799 Total Transportation	396	8	479	883	18	-556	345
901 Foreign National Indirect Hire (FNIH)	115	0	-3	112	2	82	196
912 Rental Payments to GSA (SLUC)	7,059	141	1,334	8,534	171	-1,519	7,186
913 Purchased Utilities (Non-Fund)	130	3	11	144	3	45	192
914 Purchased Communications (Non-Fund)	1,680	34	402	2,116	42	-134	2,024
915 Rents (Non-GSA)	11,406	228	3,194	14,828	297	-3,373	11,752
917 Postal Services (U.S.P.S)	1	0	20	21	0	-14	7
920 Supplies & Materials (Non-Fund)	902	18	59	979	20	465	1,464
921 Printing & Reproduction	81	2	69	152	3	-46	109
922 Equipment Maintenance By Contract	9,872	197	-5,125	4,944	99	701	5,744
923 Facilities Sust, Rest, & Mod by Contract	1,460	29	3,949	5,438	109	-1,955	3,592
925 Equipment Purchases (Non-Fund)	3,696	74	2,235	6,005	120	-230	5,895
932 Mgt Prof Support Svcs	11,112	222	-5,390	5,944	119	1,827	7,890
934 Engineering & Tech Svcs	0	0	56	56	1	-13	44
960 Other Costs (Interest and	3	0	3	6	0	0	6

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<u>OP 32 Line</u>	FY 2019 <u>Actuals</u>	Change <u>FY 2019/FY 2020</u>		FY 2020 <u>Enacted</u>	Change <u>FY 2020/FY 2021</u>		FY 2021 <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
Dividends)							
985 Research & Development, Contracts	3,839	0	2,189	6,028	0	-4,930	1,098
987 Other Intra-Govt Purch	13,131	263	4,200	17,594	352	-102	17,844
989 Other Services	1,384	28	1,287	2,699	54	-1,208	1,545
990 IT Contract Support Services	18,254	365	-3,878	14,741	295	3,877	18,913
999 Total Other Purchases	84,125	1,604	4,612	90,341	1,687	-6,527	85,501
Total	377,829	9,611	-23,941	363,499	5,907	2,033	371,439

* The FY 2019 Actual column includes \$22,964.0 thousand of FY 2019 OCO Appropriations Funding (P.L. 115-245).

* The FY 2020 Enacted column excludes \$24,254.0 thousand of FY 2020 OCO Appropriations Funding (P.L. 116-93).

* The FY 2021 Estimate column excludes \$24,069.0 thousand of FY 2021 OCO Appropriations Funding.

* The FY 2019 OCO Actual from the footnote above does not match the data in the OSD budget database due to a disconnect discovered after budget database had locked; the footnote reflects the correct FY 2019 Actual OCO Appropriation Funding.