

Fiscal Year 2022 President's Budget

Office of Inspector General



May 2021

Office of Inspector General
Fiscal Year (FY) 2022 President's Budget

Office of the Inspector General (\$ in thousands)

	<u>FY 2020 Actuals</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2021 Enacted</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2022 Request</u>
OIG	393,856	6,422	-1,973	398,304	8,630	30,211	437,145

*FY 2020 includes Division A, Title IX and X of the Consolidated Appropriations Act, 2020 (P.L. 116-93), Division F, Title IV and V from the Further Consolidated Appropriations Act, 2020 (P.L. 116-94) and the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136).

*FY 2021 includes Division C, Title IX and Division J, Title IV of the Consolidated Appropriations Act, 2021 (P.L. 116-260).

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 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 operates the DoD Hotline, Contractor Disclosure, Whistleblower Protection programs. The DoD OIG executes its mission and responsibilities through the activities of five oversight components, the Office of General Counsel, and various mission support functions.

The aggregate FY 2022 budget request for the operations of the DoD OIG is \$437.145 million: \$411.634 million Operations and Maintenance, \$2.365 million Research, Development Test and Evaluation, \$0.08 million Procurement, and \$23.066 million Enduring costs.

The DoD OIG programs are as follows:

- **Audit:** Conducts independent, relevant, and timely audits that promote economy, efficiency, and effectiveness with sound and actionable recommendations that, when effectively implemented, improve DoD programs, operations, and stewardship of resources.
- **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.
- **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. AI also operates the contractor disclosure program. This program enables DoD contractors to report certain violations of criminal law and the Civil False Claims Act

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I. Description of Operations Financed: (Cont.)

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.

- **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.
- **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.
- **Diversity and Inclusion/Military Insider Threats (DI/MIT):** A new DoD OIG component, directed in Section 554 of the FY 2021 National Defense Authorization Act, that conducts oversight of policies, programs, systems, and processes regarding diversity and inclusion in the DoD, and to prevent and respond to supremacist, extremist, and criminal gang activity of a member of the Armed Forces.
- **Overseas Contingency Operations (OCO):** Executes the Lead IG mission by developing a joint strategic plan to conduct comprehensive oversight of each OCO and assessing and reporting on the accuracy of financial related information provided by federal agencies supporting each OCO.
- **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 (D-CATS) Program Management Office to develop, deploy, and sustain the Defense Case Activity Tracking System - Enterprise (D-CATSe) for the DoD oversight community.

The FY 2022 Direct War and Enduring Costs accounted for in the base budget are as follows:

- Direct War costs accounted for in the Base Budget: \$0.0 thousand: Direct War costs are those combat or direct combat support costs that will not continue to be expended once combat operations end at major contingency locations.
- Enduring costs accounted for in the Base Budget: \$23,066 thousand: Enduring Requirements are enduring in theater and in CONUS costs that will likely remain after combat operations cease.

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II. Force Structure Summary:
N/A

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III. Financial Summary (\$ in Thousands):

	FY 2021						
	FY 2020	Budget	Congressional Action			Current	FY 2022
			Actuals	Request	Amount		
<u>A. BA Subactivities</u>							
1. Audit	\$85,800	\$104,407	\$923	0.88%	\$105,330	\$105,330	\$112,581
2. Defense Criminal Investigative Service/ Investigations	\$96,163	\$79,464	\$1,354	1.70%	\$80,818	\$80,818	\$86,753
3. Administrative Investigations	\$27,429	\$27,370	\$308	1.13%	\$27,678	\$27,678	\$29,768
4. Evaluations	\$35,044	\$34,900	\$923	2.64%	\$35,823	\$35,823	\$38,506
5. Diversity and Inclusion/Military Threat (DIMIT)	\$0	\$0	\$0	0.00%	\$0	\$0	\$13,784
6. Mission Support	\$125,499	\$122,138	\$492	0.40%	\$122,630	\$122,630	\$130,242
7. Overseas Contingency Operations	\$21,219	\$24,069	\$0	N/A	\$24,069	\$24,069	\$23,066
8. RDT&E	\$2,371	\$1,098	\$0	0.00%	\$1,098	\$1,098	\$2,365
9. Procurement	\$331	\$858	\$0	0.00%	\$858	\$858	\$80
Total	\$393,856	\$394,304	\$4,000	1.01%	\$398,304	\$398,304	\$437,145

*FY 2020 includes Division A, Title IX and X of the Consolidated Appropriations Act, 2020 (P.L. 116-93), Division F, Title IV and V from the Further Consolidated Appropriations Act, 2020 (P.L. 116-94) and the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136).

*FY 2021 includes Division C, Title IX and Division J, Title IV of the Consolidated Appropriations Act, 2021 (P.L. 116-260).

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

<u>B. Reconciliation Summary</u>	<u>Change FY 2021/FY 2021</u>	<u>Change FY 2021/FY 2022</u>
BASELINE FUNDING	\$394,304	\$398,304
Congressional Adjustments (Distributed)	0	
Congressional Adjustments (Undistributed)	0	
Adjustments to Meet Congressional Intent	0	
Congressional Adjustments (General Provisions)	4,000	
SUBTOTAL APPROPRIATED AMOUNT	398,304	
Fact-of-Life Changes (2021 to 2021 Only)	0	
SUBTOTAL BASELINE FUNDING	398,304	
Supplemental	0	
Reprogrammings	0	
Price Changes		8,630
Functional Transfers		0
Program Changes		30,211
CURRENT ESTIMATE	398,304	437,145
Less: Wartime Supplemental	0	
NORMALIZED CURRENT ESTIMATE	\$398,304	\$437,145

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

FY 2021 President's Budget Request (Amended, if applicable).....	\$394,304
1. Congressional Adjustments	\$4,000
a) Distributed Adjustments.....	\$0
b) Undistributed Adjustments	\$0
c) Adjustments to Meet Congressional Intent.....	\$0
d) General Provisions	\$4,000
1) Program Increase-Oversight of PL 116-136 Funding	\$4,000
FY 2021 Appropriated Amount	\$398,304
2. War-Related and Disaster Supplemental Appropriations	\$0
a) OCO Supplemental Funding	\$0
3. Fact-of-Life Changes.....	\$0
a) Functional Transfers.....	\$0
b) Technical Adjustments	\$0
c) Emergent Requirements.....	\$0
FY 2021 Baseline Funding.....	\$398,304
4. Reprogrammings (Requiring 1415 Actions).....	\$0

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

a) Increases	\$0
b) Decreases	\$0
Revised FY 2021 Estimate.....	\$398,304
5. Less: Item 2, War-Related and Disaster Supplemental Appropriation and Item 4, Reprogrammings	\$0
a) Less: OCO Supplemental Funding.....	\$0
FY 2021 Normalized Current Estimate	\$398,304
6. Price Change	\$8,630
7. Functional Transfers	\$0
a) Transfers In	\$0
b) Transfers Out.....	\$0
8. Program Increases.....	\$30,660
a) Annualization of New FY 2021 Program	\$0
b) One-Time FY 2022 Increases	\$0
c) Program Growth in FY 2022.....	\$30,660
1) Civilian Compensation & Benefits	\$21,465
+\$21,465 thousand is attributed to an increase of 145 FTEs for pandemic related oversight work and the newly established DoD OIG component (DI/MIT). (FY 2021 Baseline: \$296,113 thousand; 1,679 FTEs; +145 FTEs)	

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

2) Direct War and Enduring program changes accounted for in the Base Budget	\$0
Direct War costs are those combat or direct combat support costs that will not continue to be expended once combat operations end at major contingency locations. Enduring Requirements are enduring in theater and in CONUS costs that will likely remain after combat operations cease, and have previously been funded in OCO. The program increase in III.8.c. factors in \$221 thousand in Enduring program increases distributed across object classes outlined in this section.	
3) Equipment Maintenance by Contract	\$2,234
+\$2,234 thousand is attributed to an increase in IT support caused by an increase in DoD OIG FTEs for pandemic related oversight work and the newly established DoD OIG component (DI/MIT). (FY 2021 Baseline: \$5,744 thousand)	
4) Equipment Purchases (Non-Fund).....	\$830
+\$830 thousand is attributed to an increase in DoD OIG FTEs for pandemic related oversight work and the newly established DoD OIG component (DI/MIT). (FY 2021 Baseline: \$6,273 thousand)	
5) Facilities, Sust, Rest, & Mod By Contract	\$164
+\$164 thousand is attributed to an increase in mission requirements to renovate office space. (FY 2021 Baseline: \$3,592 thousand)	
6) IT Contract Support Services	\$2,907
+\$2,907 thousand is attributed to an increase in DoD OIG FTEs for pandemic related oversight work and the newly established DoD OIG component (DI/MIT). (FY 2021 Baseline: \$18,913 thousand)	
7) Other Intra-Govt Purchases	\$472
+\$472 thousand is attributed to an increase of 145 FTEs and an increase in mission requirements. (FY 2021 Baseline: \$19,142 thousand)	
8) Other Services.....	\$738
+\$647 thousand is attributed to an increase of 145 FTEs and an increase in mission requirements. +\$91 thousand is attributed to the realignment of OCO to Base. (FY 2021 Baseline: \$1,545 thousand)	
9) Research & Development, Contracts.....	\$1,267

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+\$1,267 thousand is attributed to an increase in funding for the OIG's Case Management System, D-CATSe.
(FY 2021 Baseline: \$1,098 thousand)

10) Supplies & Materials (Non-Fund) \$382

+\$382 thousand is attributed to an increase in personnel usage given the 145 FTE increase.
(FY 2021 Baseline: \$1,560 thousand)

11) Travel of Persons \$201

+\$201 thousand is attributed to an internal realignment of travel funds from OCO to Base.
(FY 2021 Baseline: \$10,566 thousand)

9. Program Decreases \$-449

a) Annualization of FY 2021 Program Decreases \$0

b) One-Time FY 2021 Increases \$0

c) Program Decreases in FY 2022 \$-449

1) Commercial Transportation \$-52

-\$52 thousand is attributed to a decrease in mission requirements for commercial transportation.
(FY 2021 Baseline: \$353 thousand)

2) Direct War and Enduring program changes accounted for in the Base Budget \$0

Direct War costs are those combat or direct combat support costs that will not continue to be expended once combat operations end at major contingency locations. Enduring Requirements are enduring in theater and in CONUS costs that will likely remain after combat operations cease, and have previously been funded in OCO. The program decrease in III.9.c. factors in \$1,756 thousand in Enduring program decreases distributed across object classes outlined in this section.

3) DISA Telecomm Svcs - Reimbursable \$-170

-\$170 thousand is attributed to a decrease in mission requirements for network circuit costs.
(FY 2021 Baseline: \$1,575 thousand)

4) Disability Compensation \$-4

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- \$4 thousand is attributed to a decrease in the program cost for Disability Compensation. (FY 2021 Baseline: \$1,216 thousand)	
5) Engineering & Tech Svcs	\$-1
No significant change. (FY 2021 Baseline: \$44 thousand)	
6) Foreign National Indirect Hire (FNIH).....	\$-1
-\$1 thousand is attributed to a decline in program costs for FNIH. (FY 2021 Baseline: \$196 thousand; 2 FTEs; +0 FTEs)	
7) Mgmt Prof Support Svcs	\$-76
-\$76 thousand is attributed to a decrease in mission requirements. (FY 2021 Baseline: \$8,008 thousand)	
8) PCS Benefits	\$-3
-\$3 thousand is attributed to a decrease in mission requirements. (FY 2021 Baseline: \$969 thousand)	
9) Purchased Communications (Non-Fund).....	\$-97
-\$97 thousand is attributed to a decrease in oversight work. (FY 2021 Baseline: \$2,145 thousand)	
10) Purchased Utilities (Non-Fund)	\$-3
No significant change. Price growth only. (FY 2021 Baseline: \$192 thousand)	
11) Rental Payments to GSA (SLUC)	\$-30
-\$30 thousand is attributed to the cost increase being less than the anticipated inflation rate. (FY 2021 Baseline: \$7,186 thousand)	
12) Rents (Non-GSA)	\$-12
-\$12 thousand is attributed to the cost increase being less than the anticipated inflation rate. (FY 2021 Baseline: \$11,752 thousand)	

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FY 2022 Budget Request.....\$437,145

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IV. Performance Criteria and Evaluation Summary:

FY 2020 ACTUAL		FY 2021 ENACTED		FY 2022 REQUEST	
\$85,800	578 FTE	\$105,330	599 FTE	\$112,581	599 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. Audit also monitors the status of open DoD OIG recommendations to the DoD and produces the annual Compendium of Open Office of Inspector General Recommendations to the Department of Defense. 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.
 - The Follow-up Division determines whether DoD management implemented DoD OIG recommendations. As of October 22, 2020, there were more than 1,600 open recommendations. The Follow-up Division regularly meets with senior DoD officials to discuss open recommendations and what is required to close them.

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IV. Performance Criteria and Evaluation Summary:

Summary of Performance:

FY 2020

- Audit issued 94 reports in FY 2020. These reports identified \$993.6 million in questioned costs and \$524.8 million in funds that could be better used. As a result of the corrective actions that the DoD implemented from prior DoD OIG audit recommendations, the DoD realized savings of \$72.8 million.
- Based on actions taken by the DoD in response to the FY 2019 Compendium of Open Office of Inspector General Recommendations, Audit closed 647 of the 1,581 open recommendations and updated the Compendium for FY 2020. The updated Compendium identified 1,602 open recommendations that contain potential monetary benefits totaling \$6.5 billion.
- Audit conducted 47 oversight projects that addressed 19 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 Congressional requests, Audit also audited spare parts purchased from TransDigm Group, Inc. Audit also supported the DoD OIG review of the DoD's procurement of the Joint Enterprise Defense Infrastructure. Audit provided 39 briefings to Congressional members and staff on many subjects, such as interoperability of DoD and Department of Veterans Affairs health records systems, sole source contracts for commercial depot maintenance, and the DoD Financial Statements audit. In addition, the Assistant Inspector General for Acquisitions, Contracting, and Sustainment testified before the House Committee on Oversight and Reform on the F-35 Joint Strike Fighter; "Ensuring Safety and Accountability in the Government's Trillion Dollar Investment."
- In a follow-up audit, Audit determined that DoD Components did not consistently mitigate vulnerabilities identified by DoD Cyber Red Teams. Audit also determined, despite numerous improvements made by the DoD over the past year, that recently issued cybersecurity reports demonstrated that the DoD continued to face significant challenges in managing cybersecurity risks to its systems and networks. Ensuring DoD Components mitigate vulnerabilities is critical to the DoD's cyber security posture.
- Audit also ensured that the DoD's financial statements underwent a full audit in FY 2020. The DoD OIG, and five contracted independent public accounting firms overseen by the DoD OIG, performed 31 financial statement audits and financial system audits and attestations. As of September 30, 2020, the auditors closed over 400 prior year notifications of findings and recommendations (NFRs), reissued approximately 1,700 prior year NFRs, and issued approximately 300 new NFRs. These findings and recommendations identified deficiencies that, if corrected, can improve the operational readiness of the DoD, and the reliability of the DoD's financial data.

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IV. Performance Criteria and Evaluation Summary:

FY 2021

- 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 2021 include critical challenges in healthcare, weapons systems acquisition and sustainment, contract management, cyber security and operations, force readiness, and the impacts of the coronavirus disease-2019 pandemic on the DoD operations.
- Audit will continue to provide oversight of independent public accounting firms performing DoD Component-level financial statement audits and will conduct DoD's agency-wide financial statements and systems audits. Audit will oversee more than 1,000 contracted auditors that perform 32 financial statement and systems audits and attestations that support the DoD consolidated financial statements. The focus in FY 2021 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 operational requirements. 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 building and sustaining the DoD's technological dominance; the DoD's use of emerging technologies; health, welfare, and safety for Service members and their families; supply chain management; pandemics and extreme weather events; contract management for supplies and services; how the DoD is addressing corrosion on the F/A-18C-G aircraft; and information technology and software acquisition.

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IV. Performance Criteria and Evaluation Summary:

FY 2022

- Audit will continue to provide oversight of independent public accounting firms performing DoD Component-level financial statement audits, and conduct the DoD's agency-wide financial statement and systems audits.
- Audit will also continue focusing on acquisition, contracting, sustainment, healthcare, cyberspace operations, financial management, and military and program readiness and global operations.

Performance Criteria and Evaluation Summary			
OIG OP-5 PERFORMANCE METRICS	FY 2020	FY 2021	FY 2022
	Actual	Estimate	Estimate
<u>AUDIT</u>			
Reports issued	94	100	110
Potential monetary benefits (in millions)	\$1,518	1	1
Achieved monetary benefits (in millions)	\$72.8	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 \$2.45 billion in identified potential monetary benefits and about \$333 million in achieved benefits.

FY 2020 ACTUAL		FY 2021 ENACTED		FY 2022 REQUEST	
\$96,163	429 FTE	\$80,818	447 FTE	\$86,753	447 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) to support their mission requirements.

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IV. Performance Criteria and Evaluation Summary:

DCIS will use FY 2022 funds and personnel 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 Service members; 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 2020	FY 2021	FY 2022
	Actual	Estimate	Estimate
Criminal charges	239	337	344
Criminal convictions	206	253	259
Civil judgments and settlements, criminal fines, penalties and restitution (in millions)	\$1,924	\$1,710	\$1,770
Recovered Government property and administrative recoveries (in millions)	\$.932	\$3.5	\$3.7
Suspension of contractors	126	157	161
Debarment of contractors	173	181	185

FY 2020 ACTUAL		FY 2021 ENACTED		FY 2022 REQUEST	
\$27,429	163 FTE	\$27,678	164 FTE	\$29,768	164 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

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IV. Performance Criteria and Evaluation Summary:

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, 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 Service, and Presidential Appointees, and conducts over 28,000 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:

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); make priority 1 Hotline referrals in one business day; and review DoD Hotline completion reports in 10 business days.

FY 2020

- ISO closed 5 investigations, one (20%) in 240 days or less. WRI closed 24 military and contractor reprisal investigations, 12 (50%) in 180 days or less; and 6 NAFI, IG Act, and PPD-19 investigations, 5 (83%) 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 839 Hotline Completion Reports, of which 711(85%) were reviewed in 10 work days or less. AI conducted 125 external outreach and training events reaching 4,493 attendees.
- AI performed quality assessment reviews of administrative investigative of military service, defense agency and COCOM IGs, including the first ever quality assessment review of the Administrative Investigative Operations of the Defense Logistics Agency Inspector General.

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IV. Performance Criteria and Evaluation Summary:

- Hotline hosted two virtual Hotline Working Groups that included 271 attendees from 48 DoD Components and 25 other Federal agencies. The Hotline Working Groups introduced categorization and interactive processes to refer and oversight COVID-19 complaints and discussed social distancing and maintaining operations during the pandemic, DoD Hotline Completion Reports, DoD Consolidated Adjudications Facility (CAF) reporting, timely completion of Priority 1 cases, investigative guidance available from the DoD OIG Hotline, Army Regulation 15-6, Commander Directed Investigations, Manual of the Judge Advocate General investigations, the Contractor Disclosure Program, and resourcing hotlines commensurate with workload.
- As part of the CDP outreach, the Hotline disseminated information on social media to inform contractors about the CDP, including reminding contractors to submit timely disclosures in accordance with Federal Acquisition Regulation 52.203-13, "Contractor Code of Business Ethics and Conduct," and provided a link to the DoD OIG CDP webpage for additional information.
- WRI maintained the timeliness of its investigations, closing 20 investigations in an average of 184 days.
- WRI resolved 49 whistleblower reprisal complaints through the Alternative Dispute Resolution Program.
- ISO established an intake review team to quickly evaluate and resolve complaints not supported by evidence or not requiring a formal investigation. This new team helps reduce overall processing times and allows ISO to focus investigative resources on high priority issues, more complex investigations, and cases that will likely find substantiated misconduct.

FY 2021

AI will:

- Continue improving its performance by improving processes.
- Convene 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.
- Implement a DoD Inspector General Administrative Investigator Certification program for IG personnel across the Department of Defense.

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IV. Performance Criteria and Evaluation Summary:

FY 2022

AI will:

- Enhance quick reaction and surge capabilities to investigate allegations against DoD senior officials that are of immediate concern to Congress and the Secretary of Defense.
- Publish two DoD issuances, 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 on writing reports of investigation and interviewing, and conduct the Whistleblower and Contractor Reprisal Investigations and DoD Hotline Investigator courses.

Performance Criteria and Evaluation Summary			
OIG OP-5 PERFORMANCE METRICS	FY 2020	FY 2021	FY 2022
	Actual	Estimate	Estimate
Investigations of Senior Officials complaints received	922	1,014	1,116
Investigations of Senior Officials complaints closed	839	881	925
Whistleblower Reprisal Investigations complaints received	1,837	2,020	2,222
Whistleblower Reprisal Investigations complaints closed	2,160	2,268	2,381
DoD Hotline contacts received	15,724	17,492	19,260
DoD Hotline cases referred	7,434	7,778	8,122
Contractor disclosures received	381	582	783

FY 2020 ACTUAL		FY 2021 ENACTED		FY 2022 REQUEST	
\$35,044	188 FTE	\$35,823	208 FTE	\$38,506	208 FTE

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IV. Performance Criteria and Evaluation Summary:

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 2020

- Completed 37 reports on a wide array of DoD programs and operations. Notable evaluations included: Evaluation of U.S. European Command's Warning Intelligence Capabilities; Evaluation of Department of Defense Enhanced End-Use Monitoring for Equipment Transferred to the Government of Ukraine; and the Evaluation of the Air Force's Certification of Space Launch Vehicles.
- Performed 148 reviews of single audit reports covering \$11.2 billion in DoD funds and issued 137 memorandums that identified 138 findings and \$2.8 million in questioned costs. EVAL also conducted peer reviews of three DoD audit organizations and provided oversight on contracting officers' actions related to 2,341 open and closed contract audit reports with more than \$14 billion in potential savings.

FY 2021

- Evaluate key DoD programs and operations including:
 - U.S. Air Force requirements and systems engineering processes used in the design of the KC-46 Tanker
 - DoD actions to control contamination from PFAS at DoD Installations
 - Oversight of DoD privatized housing contracts
 - Ground test and evaluation infrastructure for hypersonic capabilities
 - DoD's handling of sexual assaults against or involving midshipmen at the US Naval Academy
 - Traumatic brain injury screening in the U.S. Central Command area of responsibility
 - Foreign influence in DoD research and development
 - DoD mitigation of foreign suppliers in the pharmaceutical supply chain
 - Oversight of artificial intelligence contracts for Project Maven

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IV. Performance Criteria and Evaluation Summary:

FY 2022

- 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.

FY 2020 ACTUAL		FY 2021 ENACTED		FY 2022 REQUEST	
\$0	0 FTE	\$0	0 FTE	\$13,784	44 FTE

Performance Criteria and Evaluation Summary			
OIG OP-5 PERFORMANCE METRICS	FY 2020	FY 2021	FY 2022
	Actual	Estimate	Estimate
<u>Evaluations (EVAL)</u>			
EVAL Reports	37	45	45

Diversity and Inclusion/Military Insider Threats (DI/MIT): Public Law 116-283, the “William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021,” (FY 21 NDAA), section 554, “Inspector General Oversight of Diversity and Inclusion in Department of Defense; Supremacist, Extremist, or Criminal Gang Activity in the Armed Forces,” January 1, 2021 required the Secretary of Defense to appoint a Deputy Inspector General of the DoD as a member of the Senior Executive Service of the Department, who shall report directly to and serve under the authority, direction, and control of the IG DoD. On February 8, 2021, the Secretary of Defense delegated authority to the IG DoD to appoint the Deputy Inspector General and to fulfill all reporting requirements set forth in section 554.

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IV. Performance Criteria and Evaluation Summary:

The Deputy Inspector General for Diversity and Inclusion / Military Insider Threats (DIG-DI/MIT) will lead 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 in the Armed Forces.

Summary of Performance:

FY 2021

The DoD OIG will begin hiring key personnel to establish this new component in FY 2021, using current appropriations. DI/MIT will develop a plan to achieve initial operating capability and full operating capability, and, in accordance with the FY 2021 NDAA, within 180 days of enactment of the NDAA will submit to Congress a report describing the DoD OIG's plan for fulfilling the requirements of Section 554, and any associated challenges. DI/MIT will also develop, in coordination with the other DoD OIG components, an oversight plan for the areas within its scope of responsibility.

FY 2022

DI/MIT continue to build the DoD OIG's capacity and capability to conduct audits, investigations, and evaluations concerning diversity and inclusion in the DoD and the prevention of and response to supremacist, extremist, and criminal gang activity in the Armed Forces. DI/MIT will begin to produce the semi-annual and annual reports to Congress required by Section 554 of the FY 2021 NDAA.

Performance Criteria and Evaluation Summary			
OIG OP-5 PERFORMANCE METRICS	FY 2020	FY 2021	FY 2022
	Actual	Estimate	Estimate
<u>Diversity and Inclusion/Military Insider Threat (DIMIT)</u>			
DMIT Reports		TBD	TBD

FY 2020 ACTUAL		FY 2021 ENACTED		FY 2022 REQUEST	
\$125,499	254 FTE	\$122,630	254 FTE	\$130,242	254 FTE

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IV. Performance Criteria and Evaluation Summary:

Mission Support Team (MST): Provides essential mission 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, 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 2020

- Led the effort to continue DoD OIG operations remotely with minimal disruptions, despite COVID 19-related challenges and uncertainties.
- Refined the budget formulation and execution processes, enabling the DoD OIG to identify, prioritize, and resource mission-essential requirements, execute 99.8% of the DoD OIG FY 2020 operations and maintenance budget, and execute more than half of the FY 2020 CARES Act funding received mid-year.
- Migrated more than 80% of DoD OIG data center infrastructure from the Mark Center to DISA Defense Enterprise Computing Centers.
- Supported DoD OIG audits and investigations with data analyses that identified potential financial benefits, areas of high risk for further investigation, and potential health and safety improvements.
- Created the iGov Council to refine DoD OIG information governance processes.
- Developed a predictive model to facilitate precise management of hiring and budget and FTE execution.
- Developed and published the comprehensive FY 2021 Top DoD Management Challenges and DoD OIG Annual Oversight Plan.
- Established the DoD OIG's Risk Management Working Group.
- Received an unmodified audit opinion on the DoD OIG's FY 2019 financial statements, for the fourth year in a row.

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IV. Performance Criteria and Evaluation Summary:

FY 2021

- Continue to expand the DoD OIG's Data Analytics program.
- Complete the transition of DoD OIG data center infrastructure from the Mark Center to the primary and backup DISA Defense Enterprise Computing Centers and transition the Digital Media Examination Network to the Defense Cyber Crime Center.
- Implement the IT Quality Management Program to analyze, manage, and improve software, hardware, and network services.
- Execute the DoD OIG Enterprise Risk Management plan.
- Deploy the Defense Case Activity Tracking System – Enterprise (DCATSe) to the Air Force IG.
- Implement Project Web App, an improved project management application, throughout all DoD OIG oversight components to standardize and improve the efficiency of the management of oversight projects and open recommendations follow-up.

FY 2022

- 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.
- Develop an enterprise business dashboard capability to support timely, data-informed business decisions that improves the effective use of resources.

FY20 ENACTED		FY21 ESTIMATE		FY22 REQUEST	
\$21,219	98 FTE	\$24,069	101 FTE	\$23,066	101 FTE

Overseas Contingency Operations (OCO): The OCO component executes the Lead IG mission. The Lead IG:

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IV. Performance Criteria and Evaluation Summary:

- Develops a joint strategic plan to conduct comprehensive oversight of each OCO;
- Reviews and assesses the accuracy of information provided by federal agencies relating to obligations and expenditures, costs of programs and projects, accountability of funds, and the award and execution of major contracts, grants, and agreements in support of each OCO;
- Reports quarterly on each OCO; and
- Reports biannually on the activities of the Lead IG and other IGs on each OCO, as part of the quarterly report.

Summary of Performance:

In FY 2020, the DoD OIG continued to serve as the Lead IG for five OCOs: Operation Inherent Resolve (OIR), Operation Freedom's Sentinel (OFS), Operation Pacific Eagle-Philippines (OPE-P), the East Africa counterterrorism operation, and the North and West Africa counterterrorism operations. Lead IG responsibilities for Operation Yukon Journey (OYJ), a counterterrorism mission in the Middle East, sunset at the end of FY 2019. The DoD OIG will continually assess the effects on its OFS Lead IG oversight responsibilities caused effected by the drawdown of U.S. military forces from Afghanistan by September 11, 2021. .

FY 2020

- Published the Comprehensive Oversight Plan for Overseas Contingency Operations (COP-OCO) that coordinated a whole-of-government approach to oversight activities supporting each OCO.
- Completed 22 DoD OIG oversight projects.
- Suspended 12 oversight projects due to COVID-19 related travel and deployment restrictions.
- Published 18 unclassified quarterly reports that included eight classified appendices.
- Published two classified quarterly reports on the OCOs in Africa and two classified reports on OYJ.

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IV. Performance Criteria and Evaluation Summary:

- Issued the final classified report on OYJ.
- In response to the sunset of Lead IG responsibilities for the OCOs in the Philippines and Africa, closed the Djibouti office and established a presence in Bahrain.

FY 2021

- Sustain oversight planning and publish the COP-OCO.
- Complete 35 oversight projects, including the projects suspended in FY 2020.
- Issue 11 unclassified reports with eight classified appendices.
- Issue the final reports on the OPE-P, the counterterrorism operations in East Africa, and the counterterrorism mission in North and West Africa.

FY 2022

- Coordinate and publish the FY 2022 COP-OCO.
- Complete 25 oversight projects.
- Issue eight unclassified reports with eight classified appendices.

Performance Criteria and Evaluation Summary			
OIG OP-5 PERFORMANCE METRICS	FY 2020	FY 2021	FY 2022
	Actual	Estimate	Estimate
<u>Office of the Deputy Inspector General for Overseas Contingency Operations</u>			

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IV. Performance Criteria and Evaluation Summary:

Oversight Projects	22	35	25
Issue Comprehensive Oversight Plan for OCOs.	1	1	1
Quarterly/Biannual Reporting	30	19	16
Sustain average elapsed days from end of quarter to report issuance for designated contingency operations	48	44	44
Sustain senior leader engagements with Federal oversight, policy, and command officials	45	45	45

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V. Personnel Summary:

	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>Change FY 2020/ FY 2021</u>	<u>Change FY 2021/ FY 2022</u>
Active Military End Strength (E/S) (Total)	22	23	23	1	0
Officer	21	22	22	1	0
Enlisted	1	1	1	0	0
Reserve Drill Strength (E/S) (Total)	9	5	0	-4	-5
Officer	9	5	0	-4	-5
Civilian End Strength (Total)	1,646	1,672	1,827	26	155
U.S. Direct Hire	1,645	1,671	1,825	26	154
Total Direct Hire	1,645	1,671	1,825	26	154
Foreign National Indirect Hire	1	1	2	0	1
Active Military Average Strength (A/S) (Total)	22	23	23	1	0
Officer	21	22	22	1	0
Enlisted	1	1	1	0	0
Reserve Drill Strength (A/S) (Total)	9	5	0	-4	-5
Officer	9	5	0	-4	-5
Civilian FTEs (Total)	1,612	1,672	1,817	60	145
U.S. Direct Hire	1,611	1,671	1,815	60	144
Total Direct Hire	1,611	1,671	1,815	60	144
Foreign National Indirect Hire	1	1	2	0	1
Average Annual Civilian Salary (\$ in thousands)	184.5	178.5	179.8	-5.9	1.3
Contractor FTEs (Total)	114	125	139	11	14

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Personnel Summary Explanations:

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 3.1%

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) Civilian Compensation per OMB A-11 Compensable Days and Hours for FY 2022 at 261 days and 2,088 hours. FY 2022 PB Civ Pay Rate is 2.7%

4) The 145 Civilian FTE increase from FY 2021 to FY 2022 is due to an increase in pandemic-related oversight responsibilities, the new DoD OIG component (Diversity and Inclusion/Military Insider Threat), and the new FNIH in Korea.

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

	FY 2020 Program	Change from FY 2020 to FY 2021		FY 2021 Program	Change from FY 2021 to FY 2022		FY 2022 Program
		Price Growth	Program Growth		Price Growth	Program Growth	
101 EXEC, GEN'L & SPEC SCHEDS	295,570	4,552	-4,009	296,113	6,722	21,465	324,300
111 DISABILITY COMPENSATION	1,112	17	87	1,216	28	-4	1,240
121 PCS BENEFITS	574	9	386	969	22	-3	988
0199 TOTAL CIVILIAN PERSONNEL COMPENSATION	297,256	4,578	-3,536	298,298	6,772	21,458	326,528
308 TRAVEL OF PERSONS	4,838	97	5,631	10,566	201	201	10,968
0399 TOTAL TRAVEL	4,838	97	5,631	10,566	201	201	10,968
677 DISA TELECOMM SVCS - REIMBURSABLE	1,968	0	-393	1,575	8	-170	1,413
0699 TOTAL OTHER FUND PURCHASES	1,968	0	-393	1,575	8	-170	1,413
771 COMMERCIAL TRANSPORT	275	6	73	353	7	-52	308
0799 TOTAL TRANSPORTATION	275	6	73	353	7	-52	308
901 FOREIGN NATIONAL INDIRECT HIRE (FNIH)	116	2	78	196	4	-1	199
912 RENTAL PAYMENTS TO GSA (SLUC)	7,136	143	-93	7,186	137	-30	7,293
913 PURCHASED UTILITIES (NON-FUND)	149	3	40	192	4	-3	193
914 PURCHASED COMMUNICATIONS (NON-FUND)	1,770	35	340	2,145	41	-97	2,089
915 RENTS (NON-GSA)	10,392	208	1,152	11,752	223	-12	11,963
917 POSTAL SERVICES (U.S.P.S)	19	0	-12	7	0		7
920 SUPPLIES & MATERIALS (NON-FUND)	1,122	22	416	1,560	30	382	1,972
921 PRINTING & REPRODUCTION	79	2	28	109	2		111
922 EQUIPMENT MAINTENANCE BY CONTRACT	16,306	326	-10,888	5,744	109	2,234	8,087
923 FACILITIES SUST, REST, & MOD BY CONTRACT	3,770	75	-253	3,592	68	164	3,824
925 EQUIPMENT PURCHASES (NON-FUND)	5,330	107	836	6,273	119	830	7,222
932 MGT PROF SUPPORT SVCS	10,613	212	-2,817	8,008	152	-76	8,084
933 STUDIES, ANALYSIS & EVAL	164	3	-167	0	0	0	0
934 ENGINEERING & TECH SVCS	65	1	-22	44	1	-1	44
960 OTHER COSTS (INTEREST AND DIVIDENDS)	2	0	4	6	0		6
985 RESEARCH & DEVELOPMENT, CONTRACTS	2,371	0	-1,273	1,098	0	1,267	2,365

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

	FY 2020 <u>Program</u>	<u>Change from FY 2020 to FY 2021</u>		FY 2021 <u>Program</u>	<u>Change from FY 2021 to FY 2022</u>		FY 2022 <u>Program</u>
		<u>Price Growth</u>	<u>Program Growth</u>		<u>Price Growth</u>	<u>Program Growth</u>	
986 MEDICAL CARE CONTRACTS	9	0	-9	0	0	0	0
987 OTHER INTRA-GOVT PURCH	9,416	188	9,538	19,142	364	472	19,978
989 OTHER SERVICES	2,807	56	-1,318	1,545	29	738	2,312
990 IT CONTRACT SUPPORT SERVICES	17,883	358	672	18,913	359	2,907	22,179
0999 TOTAL OTHER PURCHASES	89,519	1,741	-3,748	87,512	1,642	8,774	97,928
9999 GRAND TOTAL	393,856	6,422	-1,973	398,304	8,630	30,211	437,145

*FY 2020 includes Division A, Title IX and X of the Consolidated Appropriations Act, 2020 (P.L. 116-93), Division F, Title IV and V from the Further Consolidated Appropriations Act, 2020 (P.L. 116-94) and the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136).

*FY 2021 includes Division C, Title IX and Division J, Title IV of the Consolidated Appropriations Act, 2021 (P.L. 116-260).