

Recovery Act OIG Perspective

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Objectives

- Overview of OIG
- OIG's Recovery Act Responsibilities
- USDA Recovery Act Funding
- OIG's Oversight Plan
- Results Already Reported
- Current Recovery Act Work-in-Process (FNS)
- Planned Recovery Act Work (FNS)

OIG Overview

- Our Charge
 - Promote effectiveness and integrity in the delivery of USDA programs
- Primary Functions
 - Audit
 - Investigations
- Structure
 - Headquarters
 - Regional Field Offices

Recovery Act Responsibilities

- Provide oversight and audit of programs, grants, and activities funded by the Recovery Act and administered by USDA
 - USDA received more than \$28 billion
 - Loan Levels in excess of \$18 billion
- Plan developed in February 2009 to guide our oversight efforts
 - OIG received \$22.5 million
 - Funds available through September 30, 2013

USDA Recovery Funds

- Food and Nutrition Service
 - SNAP Increased Benefits
 - SNAP State Administrative Expenses
 - FNS Management and Oversight
 - The Emergency Food Assistance Program
 - FDPIR Administrative Expenses
 - Child Nutrition Equipment Assistance
 - WIC Management Information System
 - WIC Contingency Fund

USDA Recovery Funds

- Rural Development
 - Business & Industry Guaranteed Loans
 - Business Enterprise Grants
 - Community Facilities Loans & Grants
 - Direct & Guaranteed Single Family Housing Loans
 - Water & Waste Loans & Grants
 - Broadband Loans & Grants

USDA Recovery Funds

- Forest Service
 - Capital Improvements & Maintenance
 - Wildland Fire Management
- Buildings and Facilities
 - Departmental Administration
 - Agricultural Research Service

USDA Recovery Funds

- Farm Service Agency
 - Farm Operating Loans
 - Information Technology
- Natural Resource Conservation Service
 - Watershed and Flood Prevention
 - Watershed Rehabilitation

USDA Recovery Funds

- Agricultural Disaster Assistance
 - 2008 Transition Assistance
 - Aquaculture Grants
- Foreign Agricultural Service
 - Trade Adjustment Assistance for Farmers

OIG's Oversight Plan

- Structured the plan to allow OIG to provide timely and effective oversight
- Initiated immediate outreach to the Department
- Provided best practices for combating grant fraud
- Shared information related to a fraud scheme pertaining to Recovery Act funds

OIG Investigations

- Objectives
 - Preventing and identifying fraud
 - Initiating timely investigations when potential criminal activity occurs
 - Responding to whistleblower complaints
 - Working with U.S. Attorneys and States Attorney General to prosecute violators and seek asset forfeiture where appropriate

OIG Investigations

- Phase 1
 - Fraud awareness briefings
 - Computer forensics
 - National and regional task forces
 - Liaison with USDA agencies
 - Hotline
- Phase 2
 - Assessing results from Phase 1 and opening criminal investigations
 - Holding entities accountable—prosecution, forfeiture, fines, and sanctions

OIG Audit

- Objectives
 - Programs timely and effectively implemented
 - Proper internal control established
 - Participants meet eligibility requirements
 - Participants comply with program requirements
 - Agencies establish effective compliance operations

OIG Audit

- Phase 1
 - Assessed prior recommendations related to Recovery Act funding
 - Adjusted the scope for certain in-progress work
 - Expedited the issuance of several audit reports
 - Reached out to USDA's Chief Information Officer to discuss data quality
- Phase 2
 - Design audits to review Recovery Act funds
 - Review agency Recovery Program Plans
 - Data Analysis
- Phase 3—performance measures

OIG Reporting

- Importance of timely and transparent reporting
 - Assists agency heads and congressional oversight committees
 - Quick turn-around (“Fast”) reports
 - Available publicly through Recovery.gov and our website

Results Already Reported

- Prior Recommendations
 - Forest Service
 - Rural Development
- Expedited Reports
 - Broadband
 - Flood Control Dams

Results Already Reported

- Fast Reports
 - Housing Loans
 - Aquaculture
 - Farm Operating Loans
 - Water & Waste Disposal Systems
 - Business & Industry Loans

Work in Process (FNS)

- Annual Financial Statements Audit
- Supplemental Nutrition Assistance Program
 - Increased Benefits—Thrifty Food Plan
 - Management & Oversight
 - State Fraud Detection
 - State Administrative Expenses/Eligibility Requirements

Work in Process (FNS)

- The Emergency Food Assistance Program
- Equipment Grants
 - Child Nutrition
 - Food Distribution Program on Indian Reservations

Work Planned (FNS)

- Subsequent phases of current work-in-process, as necessary
- WIC Vendor Monitoring and Contingency Funds
- WIC Management Information System
- Outsourcing of Customer Assistance for SNAP
Electronic Benefits Transfer

Resources & Contact Information

- Recovery.gov
 - <http://www.recovery.gov/>
- USDA's Recovery Page
 - <http://www.usda.gov/recovery>
- OIG's Recovery Page
 - <http://www.usda.gov/oig/recovery>
- OIG Hotline
 - <http://www.usda.gov/oig/hotline.htm>
 - (800) 424-9121 or (202) 690-1202 (TDD)
- My email and phone
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