United States Department of Agriculture
Office of Inspector General

# ANNUAL BUSINESS PLAN

## Fiscal Year 2006

## October 1, 2005 – September 30, 2006

# MESSAGE FROM THE INSPECTOR GENERAL

I am pleased to present the United States Department of Agriculture (USDA) Office of Inspector General's (OIG) Annual Business Plan (ABP) for fiscal year (FY) 2006. Our plan consolidates audit, investigative, and other activities into a single document that sets out the goals and objectives for our work in FY 2006. The ABP is aligned with our current strategic plan for FY 2004–2008.

The FY 2006 ABP describes how OIG will achieve our mission of promoting effectiveness and integrity in the delivery of USDA programs. The work outlined in the ABP is the most critical work being performed by OIG as we move towards our goals of assessing how effectively USDA uses taxpayer dollars, improves programs and operations, serves the American public, and increases efficiency and accountability.

OIG is committed to supporting USDA cleanup and recovery efforts in the Gulf Coast resulting from Hurricanes Katrina and Rita. We are taking prompt and comprehensive action to prevent fraud, waste, and abuse in the funding allocated in response to the recent hurricanes and subsequent devastation of the Gulf Coast. Through a coordinated program of audits, investigations, and other reviews, USDA OIG is addressing the areas of highest risk and providing insight and support to USDA program agencies. Auditors and investigators are working together to ensure accountability for program funds and to deter fraud and abuse. Our ongoing efforts focus heavily on prevention, including reviewing controls and monitoring and advising Department officials on contracts, grants, and purchase transactions.

I look forward to working with the Secretary and the Congress on behalf of the American public to improve USDA programs and operations.

/s/
Phyllis K. Fong
Inspector General

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# INTRODUCTION

The United States Department of Agriculture (USDA), Office of Inspector General's (OIG) Strategic Plan for FY 2004-2008 established our mission, vision, goals, and areas of emphasis for the next 5 years. In so doing, it set the direction for OIG to provide a positive return on the United States taxpayers' investment by asking the following critical questions of all the work that we plan to undertake: Are we addressing the most important matters? Are we achieving significant results?

The FY 06 work that OIG intends to undertake in support of our current strategic plan is presented in this Annual Business Plan (ABP).

# PLANNING FRAMEWORK

The USDA OIG Strategic Plan for FY 2004–2008 reflects a concerted effort at all levels of our organization to assess our purpose, our future, and what we must do to provide a worthy return on the U.S. taxpayers' investment. It constitutes a roadmap and guides our efforts in OIG.

As part of our strategic plan, we have identified three key challenges overall for USDA:

1. Safety, Security and Public Heath
2. Integrity of Benefits and Entitlements Programs
3. Management of Public Resources

To support the Department in these areas, we have prioritized our work to focus on five key areas of emphasis:

- Public Health and Safety
- Physical and Research Security
- Information Technology Security and Management
- Farm Programs
- Employee Corruption

Our planning process addresses the challenges facing the Department as well as improvements needed within OIG. We have developed four strategic goals to guide our work – three business goals to address the three key challenges facing the Department and one management goal geared towards improvements in OIG operations:

1. Support USDA in the enhancement of safety and security measures to protect USDA and agricultural resources and in related public health concerns.

2. Reduce program vulnerabilities and enhance integrity in the delivery of benefits to individuals.
3. Increase the efficiency and effectiveness with which USDA manages and employs public assets and resources, including physical and information resources.
4. Ensure OIG readiness to achieve its strategic goals.

Ultimately, this ABP, budget requests and semiannual reports will work in concert to present a unified view of historical trends, our current situation, ongoing efforts, and future goals, all based on the framework of our strategic plan. Our plans are flexible, and we anticipate amending them as needed in response to changing situations.

Appendix A lists Web sites that contain information on the OIG and USDA strategic plans and on USDA Management Challenges.

# Resources and Organization

The work proposed for this ABP was also assessed in terms of the availability of the necessary resources to accomplish it. Appendix B describes our current organizational structure and functional responsibilities.

# FY 06 Work Plan

A summary of the work planned in support of each of the identified strategic goals for FY 06 follows.

## Goal 1 – Support USDA in the enhancement of safety and security measures to protect USDA and agricultural resources and in related public health concerns

Investigative Work

We anticipate devoting about 15 percent of our investigative resources to this goal in FY 06. Our focus includes the investigation of threats to the food supply, the agricultural sector, USDA employees, and national security. Priority work in FY 06 will include the following:

- Investigate threats involving the safety of meat, poultry, or egg products to ensure the timely response and appropriate, prompt corrective action necessary to protect the public from ill effects of food tampering or tainted food.

- Investigate animal, animal product, plant, and plant product smuggling that may introduce devastating pests and diseases into the American agricultural sector.

- Coordinate investigations with joint terrorism and financial task forces throughout the Nation in support of homeland security efforts, many of which target funds transferred overseas.

- Protect USDA employees and facilities from threats to safety and security, including investigations of Forest Service (FS) firefighter deaths and violent assaults on employees.

- Respond to national emergencies impacting the American agricultural sector.

Audit Work

We anticipate devoting about 8 percent of our audit resources to this goal in FY 06. Our audit focus includes the assessment of management control systems designed to ensure that the Department is effectively protecting both the consumer and the Nation's agricultural resources. Our audit work will also focus on Homeland Security and the continued evaluation of the effectiveness of the Department's actions in coordinating and communicating increased security controls Departmentwide and with other Federal departments. Audit work to be performed in FY 06 includes the following:

- Continue to review USDA Homeland Security initiatives to evaluate specific areas of the Department's implementation of Homeland Security Presidential Decision Directive 9.

- Monitor USDA's implementation of the Bovine Spongiform Encephalopathy (BSE) Maintenance Program.

- Review USDA's controls over genetically engineered animal/insect research to determine whether departmental regulations provide adequate authority and whether sufficient controls are in place.

- Determine the status of USDA's progress in enhancing agricultural bio-security through diagnostic and reporting networks.

- Determine whether the Food Safety and Inspection Service's (FSIS) monitoring of sanitation and processing in egg processing plants is adequate.

- Review the effectiveness of the Animal and Plant Health Inspection Service's Safeguarding, Intervention, and Trade Compliance controls to identify and prevent unauthorized entry of prohibited products into the United States.

- Determine the effectiveness of the Interstate Certificate of Veterinary Inspection system for tracking imported and domestic livestock across State borders.

- Review FS Air Safety Program to determine whether the aircraft FS uses to fight wildland fires are adequately maintained and whether the pilots that fly them have the proper training and qualifications.

Planned Audit follow-up work includes continued monitoring of corrective actions taken and planned by the Commodity Credit Corporation in response to recommendations in our February 2004 audit report entitled, "Homeland Security Issues for USDA Commodity Inventories."

## Goal 2 – Reduce program vulnerabilities and enhance integrity in the delivery of benefits to individuals

Investigative Work

We anticipate devoting about 65 percent of our investigative resources to this goal in FY 06. Our focus includes threats to the integrity and effectiveness of USDA benefits programs. Priority work in FY 06 will include the following:

- Identify potential fraud, in coordination with other Federal, State, and local law enforcement agencies, as rebuilding of the infrastructure in the Gulf Coast area begins.

- Investigate allegations of criminal activity in farm programs, such as crop insurance fraud, payment limitation fraud, and illegal conversion of mortgaged property.

- Investigate allegations of criminal activity in nutrition programs, such as large-scale food stamp benefit and Women, Infants, and Children (WIC) voucher trafficking, and fraud in school lunch, commodity, and other feeding programs.

- Investigate allegations of criminal activity in rural development programs, such as loan fraud and embezzlement of project funds.

- Investigate allegations of criminal activity in USDA programs designed to enhance and protect U.S. food commodities overseas.

- Investigate allegations of criminal activity in various USDA programs relating to national emergencies.

Audit Work

We anticipate devoting about 27 percent of our audit resources to this goal in FY 06. The focus includes the continued examination of improper payments and the effectiveness of internal control systems. Audits to be performed in FY 06 include the following:

- Assess the delivery of hurricane relief assistance, performed at FS command centers and field operations in Louisiana and Mississippi, to help safeguard against fraud, waste, and abuse.

- Observe the disaster food stamp application process, review fraud prevention reports, and develop information about Electronic Benefit Transaction contracts, the replacement of lost or stolen Point of Sale terminals, and detailed information about store locations and benefit redemption, with the objective of improving the delivery of food stamps to disaster victims and reducing the risk of fraud.

- Review the risk assessment process and the progress of corrective actions taken for those programs to be determined at high risk for improper payments.

- Continue to monitor Electronic Benefits Transfer (EBT) systems for the Food Stamp Program to determine if controls are in place and newly implemented systems are functioning as designed.

- Evaluate the Food and Nutrition Service's strategy to implement nationwide EBT for the Special Supplemental Nutrition Program for Women, Infants, and Children.

- Review Rural Rental Housing construction costs to determine if internal controls are adequate to ensure construction costs are accurate and actually incurred, and if direct loan funds were used only for authorized purposes.

- Review the Farm Service Agency's (FSA) crop bases on lands with conservation easements.

- Determine if FSA has developed and implemented adequate business processes and management controls in accordance with the Debt Collection Improvement Act of 1996.

- Assess FSA's implementation of the Tobacco Transition Payment (Tobacco Buyout) Program.

- Determine the effectiveness of Risk Management Agency (RMA) controls over prevented planting indemnity payments.

- Evaluate RMA controls over the use of optional units to ensure claims are adequately supported.

Crosscutting Work

Additional OIG work in support of Goal 2 will focus increase OIG's and USDA's ability to prevent or detect program abuse and criminal activity. Related work to be performed in FY 06 will include the following:

- Monitor hurricane disaster relief efforts to ensure accountability for USDA disaster assistance funds and enhance integrity in the delivery of benefits.

- Monitor development of the 2007 Farm Bill.

- Analyze past audits and investigations of USDA crop insurance and disaster assistance farm programs to identify ways to fortify program controls and reduce fraud and abuse.

- Review all USDA programs that transfer funds overseas to identify vulnerabilities and develop recommendations for enhanced integrity.

- Review USDA programs that enhance the export of U.S. commodities overseas to ensure the adequacy and effectiveness of controls in program management.

- Continue review of the Food Stamp Program to identify internal control and systemic weaknesses, and other vulnerabilities relating to the electronic equipment utilized by the program.

- Review scientific misconduct cases to identify program vulnerabilities and to make recommendations that support integrity in USDA funded research.

## Goal 3 – Increase the efficiency and effectiveness with which USDA manages and employs public assets and resources including physical and information resources

Investigative Work

We anticipate devoting about 20 percent of our investigative resources to this goal in FY 06. Our focus includes allegations involving potential criminal violations that have employee corruption or fraud implications. Priority work in FY 06 will include the following:

- Investigate bribery and other significant criminal activity involving USDA employees.

- Investigate allegations of criminal misuse of Government computers by employees, including accessing and downloading child pornography.

Audit Work

We anticipate devoting about 65 percent of our audit resources to this goal in FY 06. Our audit focus includes the following:

- Audit the FY 06 financial statements for the six stand-alone agencies and USDA's consolidated statements.

- Evaluate the adequacy of security over USDA's Information Technology resources to ensure compliance with the Federal Information Security Management Act.

- Review the National Information Technology Center and the National Finance Center general controls to determine whether controls are in place and operating effectively.

- Review FS controls governing the use of stewardship contracts.

- Review FSA controls over recovery of advance countercyclical payments that exceed the final payments.

- Evaluate security measures in place for select USDA E-Gov initiatives.

- Evaluate Agricultural Research Service and Natural Resources Conservation Service contract management and compliance with Federal and USDA acquisition requirements.

- Determine whether FS implemented an adequate system of internal controls to ensure the agency is accountable for the efficient and effective delivery of its programs.

- Evaluate the effectiveness of RMA's compliance office activities.

- Assess FAS Export Credit Guarantee Programs and identify any necessary changes to improve program operations.

## Goal 4 – Ensure OIG readiness

Resource Management and Special Projects
We anticipate completing the following projects in FY 06 to ensure that we are fully prepared to achieve our mission:

- Establish a comprehensive OIG-wide approach to risk management and planning using project management concepts and techniques to achieve successful project performance.

- Continue to develop and implement a Human Capital Program that includes a management training program; continued implementation of audit and investigative core competencies; faster recruitment through use of an automated recruitment system; succession planning; and improved employee motivation.

- Expand OIG's information technology capability by developing an automated investigations case management system and implementing an advanced electronic filing/hotline management system.

- Improve OIG external and internal communications by reviewing and updating OIG directives and guidance system for relevancy and compliance and enhancing OIG Internet and Intranet presence.

# Performance Summary and Results

Our Strategic Plan established a life-cycle approach to our outputs that tracks individual actions at critical milestones to identify the results of our work. We began measuring the results of our work in FY 05. During this time period, 100 percent of OIG's performance results met or exceeded performance targets. The following illustrates our FY 05 results in comparison to our performance targets.

**OIG Strategic and Performance Goals and FY 2005 Results**

| Strategic Goal | Performance Goals |
|---|---|
| (1) Safety, Security and Public Health | Support USDA in the enhancement of safety and security measures to protect USDA and agricultural resources and in related public health concerns |
| (2) Integrity of Benefits and Entitlement Programs | Reduce program vulnerabilities and enhance integrity in the delivery of benefits to individuals |
| (3) Management of Public Resources | Increase the efficiency and effectiveness with which USDA manages and employs public assets and resources including physical and information resources |

| Performance Measure | FY 05 Target | FY 05 Actual |
|---|---|---|
| (1) Percentage of resources dedicated to critical risk and high impact audits and investigations | 90% | 92.1% |
| (2) Percentage of audit recommendations where management decision is achieved within one year | 85% | 86.9% |
| (3) Percentage of investigative cases where criminal conviction or civil or other administrative action has been taken. | 65% | 67.5% |

For FY 06, OIG again expects to achieve or exceed targeted levels. As the result of our successes, we are beginning to assess our performance targets to determine whether or not they need to be replaced by other measures and targets for FY 07.

# FY 06 Performance Commitment, Measurements and Reporting

For tracking and reporting purposes, the FY 06 Work Plan has been organized into seven OIG initiatives. For each FY 06 initiative, a performance indicator, performance objectives (i.e., tasks and projects), and a lead unit have been identified. Though we recognize that unanticipated circumstances or events may require us to adjust timeframes and priorities, OIG is committed to performing the work as described below.

| Initiative | Performance Indicators | Performance Objectives | Lead Unit |
|---|---|---|---|
| Initiative 06-1: Implementation of OIG's Audit and Investigative Work Plans for FY 06 | Decreased vulnerability in USDA program areas | Execute OIG's Annual Audit Plan (see Appendix E).<br><br>Execute OIG's Investigative Program for FY06. | Audit<br><br>Investigations |
| Initiative 06-2: Identification of risk indicators. | Increased ability to prevent or detect USDA program fraud and criminal activity and to reduce program costs | Monitor OIG-wide Hurricane Katrina disaster relief efforts to ensure accountability of USDA disaster assistance funds.<br><br>Analyze audits and investigations of USDA crop insurance and disaster assistance programs and disaster assistance programs to identify ways to fortify program controls and reduce fraud and abuse.<br><br>Review all USDA programs that transfer funds overseas to identify vulnerabilities and develop recommendations for enhanced integrity. | Planning and Special Projects (P&SP)<br><br>P&SP<br><br>P&SP |

| Initiative | Performance Indicators | Performance Objectives | Lead Unit |
|---|---|---|---|
| Initiative 06-2: Identification of risk indicators. (continued) | Increased ability to prevent or detect USDA program fraud and criminal activity and to reduce program costs | Review scientific misconduct cases to identify program vulnerabilities and to make recommendations that support integrity in USDA funded research. | P&SP |
| | | Evaluate conformity and/or duplication with USDA requirements by USDA compliance staffs. | P&SP |
| | | Review of Food Stamp Program Electronic Benefit Transfer (EBT) Point of Sale Devices (POS) to prevent and deter unauthorized use of cloned POS devices. | Investigations |
| | | Assess FAS Export Credit Guarantee Programs to identify and improve program integrity. | Investigations |
| Initiative 06-3: Human Capital Program Development and Implementation | Increased capacity to meet mission requirements | Develop Human Captal Plan that includes recruitment, EEO/diversity, training, retention, performance recognition, and succession planning. | Policy Development and Resource Management (PD&RM) |
| Initiative 06-4: Information Technology Expansion | Reduced staff hours applied to information analysis and administration | Develop automated systems capability for investigations case management. | PD&RM |
| | | Implement advanced electronic filing/hotline. | |

| Initiative | Performance Indicators | Performance Objectives | Lead Unit |
|---|---|---|---|
| Initiative 06-5: Strategic Organizational Alignment | Increased staff and action response rates to critical operational, strategic, and communication issues | Establish an OIG-wide approach to risk management, planning, and project management. | P&SP |
| Initiative 06-6: Communications and Information Systems Enhancement | Increased internal and external awareness of OIG capabilities, requirements, and accomplishments | Develop a new OIG Policy System.<br><br>Develop a prioritized list of directives to be updated.<br><br>Enhance OIG Internet and Intranet presence. | PD&RM |

The operational audit and investigative work conducted in FY 06 will be assessed using the performance measures in the OIG strategic plan (e.g., management decisions reached, and convictions and actions taken). Although the other work identified in this ABP is an important part of OIG operations, its impact cannot be easily quantified or judged based on FY 06 activities alone.

Throughout the FY 06 performance year, periodic reporting will measure progress toward the performance objectives identified for work under this ABP. We will revisit the focus and appropriateness of each initiative as necessary to ensure alignment with our strategic plan. Adjustments may be made to reflect shifting priorities, increased or reduced resources, or other circumstances that may arise.

# Conclusion

Every effort was made in developing this ABP to ensure realistic assessment of the planned work's strategic alignment and importance, anticipated outcomes, and resource requirements. We believe it represents a balanced and achievable set of performance objectives for FY 06.

As with any plan, it is subject to change when necessary to allow OIG to remain responsive to critical or emerging issues and assist the Department in managing risks appropriately.

# APPENDIX A

## Related Materials and Information

OIG Strategic Plan for FY 2004-2008:
http://www.usda.gov/oig/webdocs/rptstrategicplan.pdf

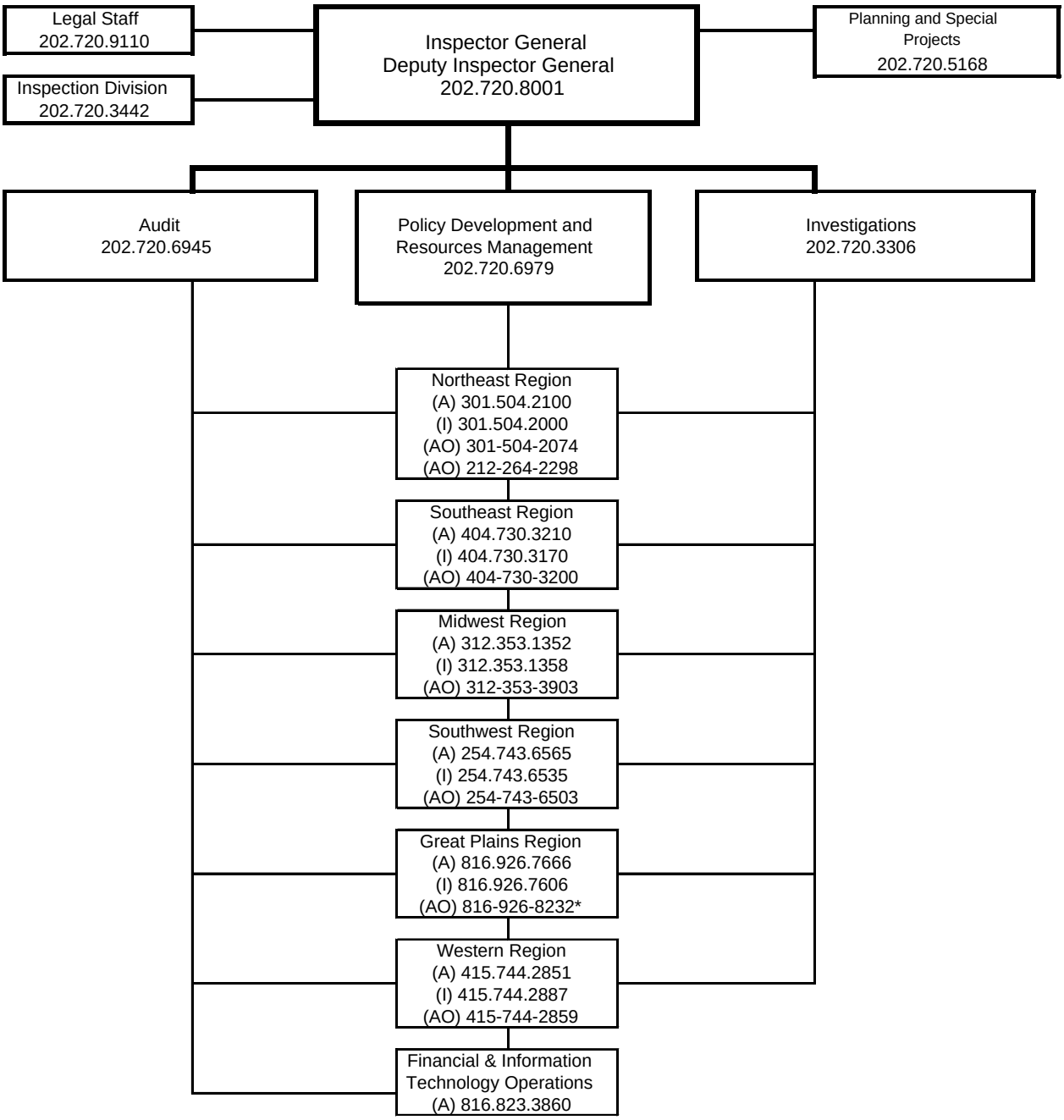
USDA Strategic Plan for FY 2002-2007:
http://www.usda.gov/ocfo/usdasp/usdasp.htm

USDA Major Management Challenges for FY 2006:
http://www.usda.gov/oig/webdocs/MgmtChallFinal050902.pdf

# APPENDIX B

## OIG Organization Chart and Functional Responsibilities

As of October 2005




*Provides services to Financial & IT Operations

## Areas of Responsibility:

**Audit**
The Office of Audit examines and verifies the economy and efficiency of USDA agency operations, to include effectiveness in achieving program results, compliance with applicable laws and regulations, and fairness in reporting of financial operations. In addition to audits performed by OIG staff, Audit contracts with certified public accountants for some audits and oversees the quality of the work of auditors under contract to other agencies of USDA.

OIG auditors conduct their work in accordance with Government Auditing Standards: June 2003 Revision, GAO-03-673G, ("Yellow Book"), published by the U.S. Government Accountability Office and in accordance with the professional standards set by the American Institute of Certified Public Accountants.

The planned distribution of audit resources for FY 06 work is broken down along USDA agency lines in Appendix C.

**Inspection**
The Inspection Division conducts systematic and independent reviews and investigations of the operations of OIG. Reviews are generally focused on management and internal controls, and investigations are generally in response to allegations of OIG employee misconduct or mismanagement issues.

**Investigations**
The Office of Investigations is responsible for conducting investigations of allegations of criminal activity, waste, abuse, and serious employee misconduct in the programs and operations of USDA. This requires the conduct of investigations, preparation of investigative reports, assistance in preparing for court proceedings, and follow up with the USDA agencies involved. Investigative work is intended to result in appropriate actions to resolve allegations and to prevent and deter future instances of illegal or fraudulent acts or misconduct.

The planned distribution of investigative resources for FY 06 work is broken down along USDA agency lines in Appendix D.

**Legal**
The Legal Staff provides legal advice on issues arising in the course of audit and investigative activities and provides legal advice and representation on administrative and management issues. This office is also responsible for congressional and media relations, managing OIG's ethics program, and managing OIG's Freedom of Information Act (FOIA) and Privacy Act program.

**Planning and Special Projects**
The Office of Planning and Special Projects (P&SP) leads OIG efforts to develop and communicate results-oriented goals and strategies that align planning, resources, policies, processes, reporting and performance measures. P&SP is responsible for responding to issues of special interest, concern and/or immediacy, by conducting reviews, studies and analyses involving USDA programs.

**Policy Development and Resources Management**
The Office of Policy Development and Resources Management is responsible for managing the human, financial, information technology, and administrative capital of OIG. In addition, the Office facilitates OIG's internal policy making apparatus and prepares cross-cutting documents on OIG accomplishments, to include the semiannual report to Congress, and OIG annual budget justification.

# APPENDIX C

## Distribution of Audit Resources by Agency

| FY 2006 PLANNED | | |
|---|---|---|
| **MISSION AREA** | **AGENCY** | |
| **NATURAL RESOURCES AND ENVIRONMENT – 13.4%** | Forest Service (FS) | 8.9 |
| | Natural Resources Conservation Service (NRCS) | 4.5 |
| **FARM AND FOREIGN AGRICULTURAL SERVICES – 17.8%** | Farm Service Agency (FSA) | 7.0 |
| | Foreign Agricultural Service (FAS) | 2.3 |
| | Risk Management Agency (RMA) | 8.3 |
| | Commodity Credit Corporation (financials) (CCC) | 0.2 |
| **RURAL DEVELOPMENT – 11.7%** | Rural Development (RD) | 3.1 |
| | Rural Utilities Service (RUS) | 1.1 |
| | Rural Housing Service (RHS) | 6.1 |
| | Rural Business-Cooperative Service (RBS) | 1.2 |
| | Rural Telephone Bank (financials) (RTB) | 0.2 |
| **FOOD, NUTRITION, AND CONSUMER SERVICES – 14.9%** | Food and Nutrition Service (FNS) | 14.9 |
| **FOOD SAFETY – 0.8%** | Food Safety and Inspection Service (FSIS) | 0.8 |
| **MARKETING AND REGULATORY PROGRAMS – 5.0%** | Agricultural Marketing Service (AMS) | 0.5 |
| | Animal and Plant Health Inspection Service (APHIS) | 4.3 |
| | Grain Inspection, Packers and Stockyards Administration (GIPSA) | 0.2 |
| **RESEARCH, EDUCATION, AND ECONOMICS – 3.6%** | Agricultural Research Service (ARS) | 2.4 |
| | Cooperative State Research, Education, and Extension Service (CSREES) | 1.2 |
| **EXECUTIVE SECRETARIAT AND OTHER ENTITIES – 4.7%** | Office of the Chief Financial Officer (OCFO), Office of the Chief Information Officer (OCIO), Delta Regional Authority (DRA), Northern Great Plains Regional Authority (NGPRA), Office of Procurement and Property Management (OPPM) | 4.7 |
| **MULTIPLE AGENCY – 28.1%** | | 28.1 |

# APPENDIX D

## Distribution of Investigative Resources by Agency

| FY 2006 ANTICIPATED | | |
|---|---|---|
| **MISSION AREA** | **AGENCY** | |
| **NATURAL RESOURCES AND ENVIRONMENT – 5.5%** | Forest Service (FS) | 4.0 |
| | Natural Resources Conservation Service (NRCS) | 1.5 |
| **FARM AND FOREIGN AGRICULTURAL SERVICES – 30.0%** | Farm Service Agency (FSA) | 21.0 |
| | Foreign Agricultural Service (FAS) | 1.0 |
| | Risk Management Agency (RMA) | 8.0 |
| **RURAL DEVELOPMENT – 7.0%** | Rural Utilities Service (RUS) | 0.3 |
| | Rural Housing Service (RHS) | 4.7 |
| | Rural Business-Cooperative Service (RBS) | 2.0 |
| **FOOD, NUTRITION, AND CONSUMER SERVICES – 28.4%** | Food and Nutrition Service (FNS) | 28.4 |
| **FOOD SAFETY – 7.5%** | Food Safety and Inspection Service (FSIS) | 7.5 |
| **MARKETING AND REGULATORY PROGRAMS – 14.9%** | Agricultural Marketing Service (AMS) | 3.8 |
| | Animal and Plant Health Inspection Service (APHIS) | 10.4 |
| | Grain Inspection, Packers and Stockyards Administration (GIPSA) | 0.7 |
| **RESEARCH, EDUCATION, AND ECONOMICS -- 0.7 %** | Agricultural Research Service (ARS) | 0.6 |
| | Cooperative State Research, Education, and Extension Service (CSREES) | 0.1 |
| **OTHER – 6.0%** | Departmental Administration (DA), Office of the Chief Financial Officer (OCFO), Office of the Chief Information Officer (CIO), Civil Rights (CR), OIG, Other | 6.0 |

# APPENDIX E

## Fiscal Year 2006 Audits Planned and In Process

* Denotes Work in Process - This is carryover work from an assignment initiated in the prior fiscal year.

| AGENCY | | TITLE | PRIMARY GOAL |
|---|---|---|---|
| AMS | | Fresh Product Grading and Certification | Mgmt of Resources |
| | | Adequacy of Meat Grading Procedures | Mgmt of Resources |
| APHIS | | Citrus Canker Eradication Efforts and Payments | Integrity of Benefits |
| | * | Implementation of APHIS' Listed Agent and Toxin Regulations - Phase II | Safety and Security |
| | | Interstate Certificate of Veterinary Inspection (ICVI) System | Safety and Security |
| | | Effectiveness of APHIS-SITC's Controls to Identify and Prevent Unauthorized Entry of Prohibited Products | Safety and Security |
| | | Licensing of Animal Exhibitors | Safety and Security |
| | * | Effectiveness of Surveillance Over Bovine Tuberculosis Eradication Program | Safety and Security |
| | * | Review of Customs and Border Protection's Agricultural Inspection Activities | Safety and Security |
| | | Oversight and Control of APHIS Operations | Mgmt of Resources |
| | | Controls at the APHIS Emergency Operations Center | Safety and Security |
| | * | Oversight of Avian Flu Outbreak | Safety and Security |
| | | General Controls at the Center for Veterinary Biologics | Safety and Security |
| | * | Controls Over APHIS Issuance of Genetically Engineered Organisms Release Permits | Safety and Security |
| ARS | | Controls Over Technology Transfer Agreements | Mgmt of Resources |
| | | Contract Management at ARS | Mgmt of Resources |
| | * | ARS Accountability Over Newly Independent States Scientific Cooperation Programs | Mgmt of Resources |
| | | ARS Intramural Research Projects | Mgmt of Resources |
| | | Application Controls Over the National Pathogen Inventory | Safety and Security |
| CCC | * | CCC's FY 2005 Financial Statements | Mgmt of Resources |
| | | CCC's FY 2006 Financial Statements | Mgmt of Resources |

| AGENCY | | TITLE | PRIMARY GOAL |
|---|---|---|---|
| CIO | * | NITC FY 2005 General Controls Review | Mgmt of Resources |
| | | NITC FY 2006 General Controls Review | Mgmt of Resources |
| CSREES | | Tribal Land Grant Institutions | Mgmt of Resources |
| | | CSREES Oversight of Awarded Research Agreements | Mgmt of Resources |
| DRA | | Delta Regional Authority - FY 2004 | Integrity of Benefits |
| FAS | | International Trade Policy and Procedures | Mgmt of Resources |
| | * | Oversight of PVO Operations | Integrity of Benefits |
| | | Export Credit Guarantee Programs | Mgmt of Resources |
| | | Management and Security of Information Technology Resources | Mgmt of Resources |
| FNS | * | Survey of FNS-WIC Program, Puerto Rico | Integrity of Benefits |
| | * | FSP Retailer Reauthorizations and Visits | Integrity of Benefits |
| | | North Carolina WIC Program: Food Costs and Administrative Costs | Integrity of Benefits |
| | | Food Stamp Employment and Training Program | Integrity of Benefits |
| | * | FNS Nutrition Assistance Program, Puerto Rico | Integrity of Benefits |
| | * | FNS Procedures to Control State WIC Administrative Costs | Integrity of Benefits |
| | | FNS Oversight of the National School Lunch and School Breakfast Programs | Mgmt of Resources |
| | | CACFP Supper Program in Schools | Integrity of Benefits |
| | | Financial Management of WIC and the Commodity Supplemental Food Program in Illinois | Integrity of Benefits |
| | | Participant Eligibility and Vendor Monitoring in the WIC Program | Integrity of Benefits |
| | * | FNS FY 2005 Financial Statements | Mgmt of Resources |
| | | FNS FY 2006 Financial Statements | Mgmt of Resources |
| | | Application Control Review of the Store Tracking and Redemption Subsystem II | Mgmt of Resources |
| | | EBT Implementation for the WIC Program | Integrity of Benefits |
| | | EBT Disaster Planning | Integrity of Benefits |
| | | FNS Summer Food Service Program | Integrity of Benefits |
| | * | Continued Monitoring of EBT Operations - National and Regional Office, State, Agency, and EBT Processor Oversight | Integrity of Benefits |
| | | FNS Implementation of the Government Performance and Results Act | Mgmt of Resources |
| | * | National School Lunch Program, Avella, PA | Integrity of Benefits |
| | * | FNS Child Nutrition Labeling Program | Integrity of Benefits |

| AGENCY | | TITLE | PRIMARY GOAL |
|---|---|---|---|
| | | FNS Summer Food Service Program | Integrity of Benefits |
| | | CACFP - Targeting Benefits Through Tiering | Integrity of Benefits |
| | * | FNS - Alert and Watch List | Integrity of Benefits |
| | | Monitoring of EBT Operations in California | Integrity of Benefits |
| | | Continued EBT Monitoring - State of Mississippi | Integrity of Benefits |
| FS | * | FS Capital Improvement Program | Mgmt of Resources |
| | | FS Research Grants and Agreements Program | Integrity of Benefits |
| | | Fire Incident Obligation Accounting | Mgmt of Resources |
| | * | Implementation of the Healthy Forests Initiative | Mgmt of Resources |
| | * | FS FY 2005 Financial Statements | Mgmt of Resources |
| | | FS FY 2006 Financial Statements | Mgmt of Resources |
| | | FS Infrastructure Management | Mgmt of Resources |
| | | Oversight and Control of FS Activities | Mgmt of Resources |
| | * | Followup on Recommendations Made on FS Maintenance Backlog | Mgmt of Resources |
| | | Support of National Energy Program | Mgmt of Resources |
| | | FS Grazing Buyout | Mgmt of Resources |
| | * | FS Security Over Explosives - Followup | Safety and Security |
| | * | FS Large Fire Suppression Costs | Mgmt of Resources |
| | | FS Special Use Program | Mgmt of Resources |
| | | FS Stewardship Contracting Program | Mgmt of Resources |
| | | FS Air Safety Program | Safety and Security |
| | | Forest Legacy Program, Appraisal Process | Mgmt of Resources |
| | | FS Firefighting Cost Share Agreements | Mgmt of Resources |
| FSA | * | FSA - Tobacco Transition Payment Program/Tobacco Buyout | Integrity of Benefits |
| | | FSA Progress in Implementing the Debt Collection Improvement Act of 1996 | Integrity of Benefits |
| | | Review of FSA Loan Program in Puerto Rico | Integrity of Benefits |
| | | Florida Hurricane Disaster Program Crop Insurance Requirements | Integrity of Benefits |
| | | FSA Bioenergy Program | Integrity of Benefits |
| | | FSA's Efforts to Identify and Recover Overpayments in the Counter-Cyclical Program | Mgmt of Resources |
| | * | Minority Participation in FSA's Farm Loan Programs | Mgmt of Resources |
| | * | FSA FY 2005 Accounting for Farm Loan Programs | Mgmt of Resources |
| | | FSA FY 2006 Accounting for Farm Loan Programs | Mgmt of Resources |
| | | Review of the Livestock Assistance Program | Integrity of Benefits |

| AGENCY | | TITLE | PRIMARY GOAL |
|---|---|---|---|
| | * | Direct and Counter-Cyclical Program | Integrity of Benefits |
| | | Quality of FSA Reviews Over Commodity Marketing Assistance Loans | Integrity of Benefits |
| | | Conservation Reserve Program | Integrity of Benefits |
| | * | New Port Inspection Process Conducted by FSA Warehouse Examination Branch | Safety and Security |
| | | Guaranteed Farm Loan Program | Integrity of Benefits |
| | | Farm Stored Loans | Integrity of Benefits |
| | * | Disaster Assistance Payments for Crop Years 2001 and 2002 | Integrity of Benefits |
| | * | Debt Forgiveness Restrictions on Borrower Eligibility for FLP Loans | Integrity of Benefits |
| | * | FSA Improper Payments - Finality Rule and Misaction/Misinformation | Mgmt of Resources |
| FSIS | * | FSIS State Operated Inspection Programs | Safety and Security |
| | | Egg Processing Inspection | Safety and Security |
| | * | FSIS In-Plant Performance System (IPPS) | Safety and Security |
| GIPSA | * | Management and Oversight of the Packers and Stockyards Programs | Mgmt of Resources |
| MULTI | * | Evaluation of USDA's Progress in Enhancing Agriculture Biosecurity Through Diagnostic and Reporting Networks | Safety and Security |
| | | Food Aid Information System | Mgmt of Resources |
| | | Effectiveness and Enforcement of Debarment and Suspension Regulations in USDA | Integrity of Benefits |
| | * | Monitoring FSA and RMA Implementation of Emergency Relief Programs and Procedures for 2004 Hurricanes in Florida (Phase I) | Integrity of Benefits |
| | | Coordination to Reconcile Slaughter Release Forms for Imported Animals | Safety and Security |
| | * | USDA's Progress to Implement the Improper Payments Information Act of 2002 | Integrity of Benefits |
| | | Improper Payments - Continued Review of Risk Assessment Process | Integrity of Benefits |
| | | Improper Payments - Monitoring the Progress of Corrective Action for "Red" Programs | Integrity of Benefits |
| | | USDA's Implementation of OMB Circular A-123, Appendix A, Internal Control Over Financial Reporting | Mgmt of Resources |
| | | E-Gov Security | Mgmt of Resources |
| | * | USDA's Certification and Accreditation Process | Integrity of Benefits |
| | | Use of Funding for the Common Computing Environment/IT Convergence | Mgmt of Resources |
| | | Management and Security Over USDA Wireless Connections | Safety and Security |
| | * | FY 2005 Federal Information Security Management Act (FISMA) Report | Mgmt of Resources |
| | | FY 2006 Federal Information Security Management Act (FISMA) Report | Mgmt of Resources |
| | | FY 2004 and 2005 Working Capital Fund Financial Statements | Mgmt of Resources |

| AGENCY | | TITLE | PRIMARY GOAL |
|---|---|---|---|
| | | RD and FSA FY 2006 Field Confirmations | Mgmt of Resources |
| | * | USDA FY 2005 Financial Statements | Mgmt of Resources |
| | | USDA FY 2006 Financial Statements | Mgmt of Resources |
| | * | Chesapeake Bay Program - Joint Review | Mgmt of Resources |
| | | Trade Adjustment Assistance for Farmers | Mgmt of Resources |
| | | Expenditures Under Emergency BSE Program | Mgmt of Resources |
| | | BSE Maintenance Sampling - Phase IV | Safety and Security |
| | * | USDA Homeland Security Initiatives | Safety and Security |
| | | Effectiveness of Status Review Process in Assessing Producer Compliance With Conservation Provisions | Integrity of Benefits |
| | * | Effectiveness of Quality Control Systems in Assessing Producer Compliance | Integrity of Benefits |
| | * | Monitoring BSE Expanded Surveillance Program Implementation - Phase II | Safety and Security |
| | * | Crop Bases on Lands With Conservation Easements - California | Mgmt of Resources |
| | | Crop Bases on Lands With Conservation Easements - Nationwide | Mgmt of Resources |
| | | USDA Controls Over Voyager Fleet Cards | Integrity of Benefits |
| | | FSA and RMA Yield Differences | Mgmt of Resources |
| | | Review of Crop Insurance Payments for Large Entity Farming Operations | Mgmt of Resources |
| | | Controls Over Genetically Engineered Animals/Insects Research | Safety and Security |
| | | Controls Over Separation of Genetically Engineered Grains | Safety and Security |
| | | Review of Adjusted Gross Income Limitation | Integrity of Benefits |
| | * | Application Controls Over the Processes Commodity Inventory Management System | Mgmt of Resources |
| | | Contract Audit Administration | Integrity of Benefits |
| | | Single Audit Management | Integrity of Benefits |
| | | Special Request | Mgmt of Resources |
| | | LAN and ARGOS Maintenance | Mgmt of Resources |
| NGPRA | | Northern Great Plains Regional Authority | Mgmt of Resources |
| NRCS | | Implementation of Flood Control Dams Rehabilitation | Safety and Security |
| | | Controls Over Technical Service Providers | Mgmt of Resources |
| | * | NRCS Application Controls - Program Contracts System | Safety and Security |
| | | NRCS - Program Contracts System - Improper Payments | Mgmt of Resources |
| | | NRCS Contract Administration | Mgmt of Resources |
| | | Conservation Security Program | Integrity of Benefits |
| | | Environmental Quality Incentives Program | Integrity of Benefits |

| AGENCY | | TITLE | PRIMARY GOAL |
|---|---|---|---|
| | * | NRCS Wetland Restoration | Mgmt of Resources |
| | | NRCS - Financial Management Division Accountability | Mgmt of Resources |
| | * | NRCS - Controls Over Vehicle Maintenance Costs | Mgmt of Resources |
| OCFO | * | FY 2005 National Finance Center IT Controls | Mgmt of Resources |
| | | FY 2006 National Finance Center General Controls | Mgmt of Resources |
| | | FY 2006 WCF Financial Statements | Mgmt of Resources |
| | * | FY 2005 Agreed Upon Procedures: Retirement, Health and Life Insurance and Headcount | Mgmt of Resources |
| | | Agreed Upon Procedures: Retirement, Health Benefits, and Life Insurance/Withholdings/Contribution and Supplemental Headcount Report Submitted to OPM FY 2006 | Mgmt of Resources |
| | * | Review of the National Finance Center Vend Table | Mgmt of Resources |
| | * | Review of Change Controls Over USDA Applications Maintained by OCFO/Controller Operations | Mgmt of Resources |
| | | Management Over T&A Data Processed by Time at NFC | Mgmt of Resources |
| | | OCFO/NFC Controls Over Non-Automated Payroll Processing | Mgmt of Resources |
| | | Controls Over the Table Management System at OCFO/NFC | Mgmt of Resources |
| | | Controls Over Final Action on Audit Recommendations | Mgmt of Resources |
| OPPM | * | Review of Acquisition Planning and Processing | Mgmt of Resources |
| | | Nationwide Recapture of Taxes Paid | Mgmt of Resources |
| RBS | | RBS - Intermediary Re-lending Program | Integrity of Benefits |
| | * | RBS Value-Added Agricultural Product Market Development Grants (VADG) | Integrity of Benefits |
| | | B&I Guaranteed Loans to Non-Traditional Lenders | Integrity of Benefits |
| RD | * | Rural Development FY 2005 Financial Statements | Mgmt of Resources |
| | | Rural Development FY 2006 Financial Statements | Mgmt of Resources |
| | * | Review of the Shenandoah Valley Electric Cooperative Grant | Mgmt of Resources |
| | | RD Eligibility Controls Over Con Act Loans | Integrity of Benefits |
| RHS | * | Guaranteed Rural Housing Loan Program Followup | Integrity of Benefits |
| | | RRH Project Maintenance and Reserve Account Funding - Florida | Integrity of Benefits |
| | | Community Facilities Program | Integrity of Benefits |
| | | Single Family Housing: Direct Loan Programs Loan Origination Practices | Integrity of Benefits |
| | * | Single Family Housing Borrower Income Verification - Florida | Integrity of Benefits |

| AGENCY | | TITLE | PRIMARY GOAL |
|---|---|---|---|
| | | RRH Project Maintenance Inspection Procedures | Mgmt of Resources |
| | | Rural Rental Housing Construction Costs | Integrity of Benefits |
| | * | RRH Loan Prepayment and Restrictive Use Agreements | Integrity of Benefits |
| | | Controls Over Multi-Family Housing Assistance Program | Integrity of Benefits |
| | | RHS (Section 538) Guaranteed Loans | Integrity of Benefits |
| | | RD - Multi-Family Housing Programs - Selected Project | Integrity of Benefits |
| | | Oklahoma RRH Management Company | Mgmt of Resources |
| RMA | | RMA Compliance Office Activities | Mgmt of Resources |
| | * | Evaluation of Pool Distribution of Policies by Insurance Companies | Mgmt of Resources |
| | | Controls Over Optional Unit Provisions | Integrity of Benefits |
| | | Controls Over Catastrophic Crop Underwriting | Integrity of Benefits |
| | * | FY 2005 FCIC Financial Statements | Mgmt of Resources |
| | | FY 2006 FCIC Financial Statements | Mgmt of Resources |
| | | Crop Insurance Agents Sales Practices | Integrity of Benefits |
| | | Asian Soybean Rust Claims | Integrity of Benefits |
| | | Penalties Required for Inaccurate Reporting of Crop Insurance Acreage | Integrity of Benefits |
| | | RMA Implementation of $500,000 Claim Decision Process | Integrity of Benefits |
| | | Contracting for Services Under the Agricultural Risk Protection Act (ARPA) of 2000 | Mgmt of Resources |
| | | RMA's Management Controls Over Producer Filing of Late Acreage Reports | Mgmt of Resources |
| | | Financial Review of Reinsured Organizations - Phase 2 | Mgmt of Resources |
| | * | Zero Acreage Reporting Abuse | Integrity of Benefits |
| | * | Adjusted Gross Revenue Program - Washington | Integrity of Benefits |
| | | Effectiveness of RMA Controls Over Prevented Planting Indemnity Payments | Integrity of Benefits |
| | | Group Risk Crop Insurance | Integrity of Benefits |
| | * | New Crop Programs Submitted by Private Companies | Mgmt of Resources |
| RTB | * | FY 2005 RTB Financial Statements | Mgmt of Resources |
| | | FY 2006 RTB Financial Statements | Mgmt of Resources |
| RUS | | RD's Contract with National Rural Water Association - Circuit Riders | Safety and Security |
| | | Rural Public Television Digital Transition Grants | Integrity of Benefits |
| | * | Broadband Grant and Loan Programs | Integrity of Benefits |

**NOTES:**

**Safety and Security:** Support USDA in the enhancement of safety and security measures to protect USDA and agricultural resources and in related public health concerns.

**Integrity of Benefits:** Reduce program vulnerabilities and enhance integrity in the delivery of benefits to individuals.

**Management of Resources:** Increase the efficiency and effectiveness with which USDA manages and employs public assets and resources including physical and information resources.

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www.usda.gov/oig/home.htm

## How To Report Suspected Wrongdoing in USDA Programs

| | | |
|---|---|---|
| Fraud, Waste and Abuse | In Washington, DC | 202-690-1622 |
| | Outside DC | 800-424-9121 |
| | TDD (Call Collect) | 202-690-1202 |
| Bribes or Gratuities | 202-720-7257 (24 hours)<br>888-620-4185 (24 hours) | |
| Through the Web | OIG Hotline www.usda.gov/oig/hotline.htm | |