OFFICE OF THE SECRETARY

FY 2021 Compliance with Improper Payment Requirements
OIG-22-024-I

WHAT WE CONCLUDED

To comply with PIIA, the Department must adhere to the following criteria:

1. Publish payment integrity information with the agency’s AFR for the most recent FY and post the AFR and accompanying materials required by OMB on the agency’s website.

2. Conduct improper payment risk assessments for each program with annual outlays greater than $10 million at least once in the last 3 years and adequately conclude whether the program is likely to make improper payments and unknown payments above or below the statutory threshold.

3. Publish improper payment and unknown payment estimates for programs susceptible to significant improper payments and unknown payments in the accompanying materials to the AFR.

4. Publish corrective action plans for each program for which an estimate above the statutory threshold was published in the accompanying materials to the AFR.

5. Publish an improper payment and unknown payment reduction target for each program for which an estimate above the statutory threshold was published in the accompanying materials to the AFR, demonstrate payment integrity improvements or reach a tolerable improper payment and unknown payment rate, and develop a plan to meet the improper payment and unknown payment reduction target(s).

6. Report an improper payment and unknown payment estimate of less than 10 percent for each program for which an estimate was published in the accompanying materials to the AFR.

We performed our FY 2021 annual compliance review based on a combination of the requirements in OMB Circular A-123, Appendix C, as revised by OMB Memorandum M-21-19, dated March 5, 2021; OMB Circular A-136, revised, dated August 10, 2021; the OMB Annual Data Call Instructions dated October 5, 2021; the OMB Payment Integrity Question and Answer Platform; and the Council of the Inspectors General on Integrity and Efficiency’s Guidance for Payment Integrity Information Act Compliance Reviews, dated October 26, 2021.

Based on our review, we concluded that the Department complied with the PIIA criteria for FY 2021. Additionally, as part of our review, we evaluated the adequacy of the Department’s efforts to prevent and reduce improper payments and unknown payments. We did not identify any actions needed to further improve prevention and reduction measures within the Department.