

## FY 2012 OIG Recovery Act Plan Overview

<b>OIG Name:</b>	U.S. Department of Commerce, Office of Inspector General
<b>OIG Broad Recovery Act Goals:</b>	The overall goals of the Commerce OIG's oversight of the American Recovery and Reinvestment Act of 2009 (Recovery Act) is to help ensure that Recovery funds have been used and managed appropriately. To achieve this goal we have (1) executed a risk-based oversight approach to target OIG activities on higher risk programs and Department processes; (2) identified effective OIG program oversight activities to assess whether agencies meet Recovery Act objectives in the areas of (a) prompt and fair award processes; (b) accurate, timely, and transparent recipient funds reporting; (c) authorized use of funds with measures to prevent instances of fraud, waste, error, and abuse; (d) funded projects avoiding unnecessary delays and cost overruns; and (e) programs meeting specific goals and targets; (3) focus OIG activities on establishing adequate preventive measures while ensuring detection controls are in place; (4) investigate complaints in accordance with the IG Act and special whistleblower provisions outlined in the Recovery Act; and (5) implement clear, accurate, and timely reporting of OIG oversight activity results through progress reports and audit and evaluation reports provided to Department management, Congress, and the public. The OIG currently has approximately 15 staff members dedicated to Recovery Act oversight.
<b>OIG Broad Training and Outreach Recovery Act Goals:</b>	The overall goals of the Commerce OIG's outreach activities include: (1) provide consultation to the Commerce Recovery Act Steering Committee and other working groups where the OIG staff serve as advisory members; (2) implement training programs and workshops across the Department to help strengthen: (a) fraud awareness and detection programs; (b) unique Recovery Act grant and contract processing procedures as required under provisions of the act; and (c) specialized expertise required in the oversight of certain technical programs (e.g., broadband, construction management); (3) facilitate open communications within the Department on Recovery Act activities so that OIG receives timely notice when the Department identifies unusual trends or off-track processes (allowing for more expedient problem-solving); and (4) provide proactive review of program operational procedures to assess and advise on the appropriate balance of preventive and detective controls.
<b>OIG Recovery Act Risk Assessment Process:</b>	OIG completed inherent risk assessments for each Commerce program by analyzing four areas: strategic program, operations, legal and compliance, and fraud risk. Inputs to our process included Recovery Act, Office of Management and Budget guidance, bureau risk assessment documentation, bureau spend and program plans, and information from OIG, external audit, and Department A-123 processes. These helped OIG determine high, medium, or low risk—by program and by risk category. The oversight plan generally gives higher-risk program areas greater focus, which may include outreach activities such as training programs and workshops, up-front pre-review of program materials, operational processing reviews, program activity monitoring, or scheduled audits. Lower-risk program areas generally receive a lesser focus, which could limit oversight to review of operational procedures, performance monitoring, and select verification of operational results.
<b>OIG Recovery Act Funds:</b>	\$16 million
<b>Expiration Date of OIG Recovery Act Funds:</b>	\$6 million expires in 2013; \$10 million does not expire based on appropriation. Frank-Dodd Amendment may result in a 12/31/2012 expiration date for these funds. The CIGIE, on behalf of the Commerce OIG as well as four others, submitted to the President a waiver to use unobligated Recovery Act funds after December 31, 2012. While our communication with OMB has been positive, the request awaits OMB's decision.
<b>OIG Recovery Act Funds Allocated to Contracts:</b>	Yes
<b>Purpose of Recovery Act Contracts:</b>	Contractors have supplemented OIG staff and have provided specialized expertise for workshop training and performance measurement activities.
<b>Types of Recovery Act Contracts Awarded to Date:</b>	Workshop training and system database development
<b>Link to OIG Recovery Act Work Plan:</b>	<a href="http://www.oig.doc.gov/recovery">http://www.oig.doc.gov/recovery</a>

## OIG FY 2012 Recovery Act Work Plan

Agency	Program Area	Recovery Act Funds Associated w/Program Area	Type of Review	Entity Performing Review	Project Title	Background	Objective	Review Included on Prior Recovery Act Plan (Y/N)	Expected Quarter Work Begins	Expected Quarter(s) Reports Issued	Expected/Final Number of Reports
Commerce	All Programs	\$7.9 billion	Other	OIG Staff	Anti-Fraud, Grant, Contract Outreach	As part of the OIG outreach program, OIG staff will continue to provide overviews of Recovery Act requirements, fraud indicators, and best practices in grant and contract management to agency staff and select Recovery Act grant program applicants and recipients.	To help strengthen Department programs and facilitate open communications with management and staff regarding program controls and help prevent & detect fraud, waste, and abuse	Yes	FY 2012 Q1	FY 2012 Q4	1-ongoing
Commerce	NOAA, NTIA	\$543 million	Performance	OIG Staff	Review of ARRA funds in Interagency Agreements	Approximately \$543 million were transferred to other federal agencies in support of Commerce ARRA projects. The Dodd-Frank legislation requires ARRA funds unobligated on December 31, 2012, to be returned to the Treasury.	To review the funds available in these ARRA interagency agreements and memorandum of understanding to ensure that are obligated and will comply with the Dodd-Frank legislation.	No	FY 2012 Q3	FY 2012 Q4	0- cancelled
Commerce	NTIA Broadband Technology Opportunities Program (BTOP)	\$3.9 billion	Performance	OIG Staff	Effectiveness of BTOP Award Monitoring	BTOP is implementing a plan that outlines the organizational structure of BTOP, key roles and responsibilities for staff, and the overall post-award monitoring process.	To assess the adequacy of the monitoring plans and determine how effectively management uses the results of the monitoring activities to strengthen the BTOP program	Yes	FY 2011 Q1	FY 2012 Q1	1-completed
Commerce	NTIA Broadband Technology Opportunities Program (BTOP)	\$3.4 billion	Performance	OIG Staff	Acquisition of Equipment for BTOP projects	NTIA awarded \$3.4 billion in 120 infrastructure projects. The technology used is primarily wireless and wire line/fiber including wireless cell towers, switches, fiber optic, modems, handsets, computers and monitors.	To verify the BTOP-awarded equipment meets market standards and that grantee acquisition practices meet federal guidelines and cost principles.	No	FY 2012 Q4	FY 2012 Q4	1-moved to Q4
Commerce	NTIA Broadband Technology Opportunities Program (BTOP)	\$3.4 billion	Performance	OIG Staff	Review of Subrecipient Monitoring	To successfully implement the 230 BTOP award will require grantees to use subrecipients. Failing to adequately monitor subrecipients could result in project delays, projects not providing intended benefits or noncompliance with award terms.	To evaluate the effectiveness of NTIA efforts to ensure that BTOP recipients are effectively monitoring subrecipient progress towards project completion and compliance with award terms and conditions.	No	FY 2012Q1	FY 2012 Q4	1-ongoing
Commerce	NTIA Broadband Technology Opportunities Program (BTOP)	\$3.4 billion	Performance	OIG Staff	Review of Sustainability Issues for BTOP-funded projects	The initial Notice for Funding Availability for BTOP grantees stated that "applicants must convincingly demonstrate the ability of the grantees to be sustained beyond the funding period."	To verify that BTOP grantees have adequate operations and controls in place to ensure that the projects will generate net revenues to sustain itself beyond the term of the grant.	No	FY 2013 Q1	FY 2013 Q4	0 - moved to FY2013
Commerce	NTIA Broadband Technology Opportunities Program (BTOP)	\$1.4 billion	Performance	OIG Staff	Review of BTOP Grantee Match	BTOP has made 230 awards with a federal share of \$3.9 billion and a required grantee match of \$1.4 billion.	To determine whether NTIA has processes in place to ensure BTOP grantees' match meets federal administrative requirements and cost principles included in the terms and conditions of the awards.	Yes	FY 2011 Q3	FY 2012 Q2	1-completed
Commerce	NTIA Broadband Technology Opportunities Program (BTOP)	\$99 million	Performance	OIG Staff	Review of NTIA's Management and Oversight of the BTOP Booz Allen Hamilton Contract	NTIA contracted with DOI's National Business Center to contract for program support and IT services in support of the BTOP program. DOI entered into a \$99 million contract with Booz Allen Hamilton to provide a system to manage and monitor grant performance and oversight, and provide technical expertise during the grant-making process.	To determine (1) how NTIA ensures the receipt and quality of goods and services they are paying for, (2) what specific controls exist to verify invoices and payment processes, and (3) how NTIA mitigates risks associated with the time and materials contract and task orders.	Yes	FY 2011 Q4	FY 2012 Q3	1-ongoing
Commerce	NIST	\$180 million	Performance	OIG Staff	Review of NIST's Oversight of ARRA Construction Grants for the Building of New Scientific Research Facilities	The NIST construction grant program was a newly created program in 2008 with only one round of funding prior to ARRA awards.	To determine whether NIST has appropriate people, processes and systems in place to monitor construction progress, required matching share, draw-downs, and contractors adherence to laws and regulations such as the Buy American Act.	Yes	FY 2011 Q1	FY 2012 Q1	1-completed

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Commerce	NIST	\$174 million	Performance	OIG Staff	NIST's Management of the ARRA Construction Contracts	NIST has 18 Recovery Act contracts classified as Commercial and Institutional Building Construction with the largest having an obligation amount of \$83 million.	To assess whether the contracts were awarded competitively, with sufficient justification and authorization for non-competitive awards, whether proper contract vehicles were used and how effectively is NIST monitoring the construction contracts.	Yes	FY 2011 Q1	FY 2012 Q2	1-completed
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