

# Semiannual Report to Congress

October 1, 2021 – March 31, 2022

OIG-CA-22-014

Office of Inspector General  
Department of the Treasury



## Highlights

During this semiannual reporting period, the Office of Audit issued 44 products. The office also identified \$567,448 in monetary benefits. Work by the Office of Investigations resulted in 10 indictments and 10 convictions. Some of our more significant results for the period are described below:

- Our Office of Audit issued a letter to the Chairman of the Apache Tribe of Oklahoma concerning the tribe's use of Coronavirus Relief Fund (CRF) proceeds to secure a loan. We determined that the Apache Tribe's explanation for using the CRF proceeds for the loan did not comply with the Coronavirus Aid, Relief, and Economic Security Act and we identified \$500,000 in questioned costs.
- In an engagement overseen by our office, RMA Associates (RMA), a certified independent public accounting firm, found that certain bureaus did not take cash discounts resulting in lost cost savings and that the Financial Crimes Enforcement Network, the United States Mint (Mint), the Bureau of Engraving and Printing, and the Office of the Comptroller of the Currency lacked comprehensive policies and procedures for taking cash discounts when processing invoice payments with eligible discounts. RMA identified \$67,448 in funds that could be put to better use.
- Our Office of Audit performed an audit of the Department of Homeland Security (DHS) U.S. Customs and Border Protection's (CBP) Merchandise Transported In-Bond (In-Bond) Program to meet our biennial requirement to report on the effectiveness of measures taken by CBP to protect revenue in accordance with Section 112 of the Trade Facilitation and Trade Enforcement Act of 2015. Our audit found CBP's policies and procedures to be inadequate with respect to the monitoring and tracking of merchandise transported in-bond and collecting respective duties, taxes, and fees, and we issued 20 recommendations related to our concerns.
- Our joint investigation with the General Services Administration Office of Inspector General (OIG), Defense Criminal Investigative Service, Army Criminal Investigation Division, and the Department of Homeland Security OIG revealed that an individual violated the Trade Agreements and Buy American Acts. The U.S. Attorney's Office (USAO) for the Northern District of New York prosecuted the individual, who was sentenced to 3 months in prison, 24 months of probation, and a \$100 special assessment for wire fraud. Additionally, the subject executed a \$702,000 civil settlement agreement to resolve his civil liability for submission of false claims.
- Our investigation revealed that an individual negotiated a stolen and altered Treasury check and submitted fraudulent Paycheck Protection Program applications to obtain over \$600,000 in program proceeds. The USAO for the District of New Jersey prosecuted the individual, who was sentenced to 30 months in prison, 36 months of probation, \$137,000 in restitution, \$484,000 in forfeitures, and a \$200 special assessment.
- Our office recovered 185 stolen coins from a Mint employee, 3 of which had been handed out as souvenirs. Our report to the Mint resulted in a 14 -day suspension of the employee.



## Message from the Deputy Inspector General

During this reporting period, the Department of the Treasury (Treasury or the Department) Office of Inspector General (OIG) has continued its oversight of programs established to provide economic relief in response to the Coronavirus Disease 2019 (COVID-19) pandemic. In collaboration with the Pandemic Response Accountability Committee (PRAC), OIG is working to apply advanced data analytics techniques in its oversight of the Coronavirus Relief Fund (CRF), a \$150 billion program to help state, local, and Tribal governments respond to the pandemic.

Partnering with the PRAC, OIG developed a risk scoring model to prioritize oversight of the entities receiving CRF dollars at the prime and sub-recipient level. This risk-based approach employs data reported by CRF entities and leverages additional, external data sources to develop a library of 20 plus risk scenarios and summary risk scores. The risk information for 800 plus prime recipients and 70,000 plus sub-recipients is navigated using a visualization dashboard and is used to help OIG know where to focus oversight resources.

With the assistance of the PRAC, OIG is also applying Robotic Process Automation (RPA) techniques to assist in monitoring the CRF program. Without RPA, OIG auditors would spend 1500-1600 hours each quarter conducting data and checklist validations, primarily using manual processes and sampling. Utilizing RPA, OIG has reduced those hours by one-third. Also with RPA, OIG will fully or partially automate sub-processes used to monitor and ensure CRF recipients comply with reporting and record-retention requirements.

In addition to its broad pandemic oversight duties, the OIG continues its quality oversight of the Treasury's operations and programs to further assist the Department in performing its mission. And we continue to perform all this work in a virtual environment, made possible by the hard work, flexibility, and professionalism of the OIG staff. We will continue to execute our legislatively required audits and reviews, as well as other risk-based reviews we determine to be valuable in assisting Treasury.

Richard K. Delmar  
Deputy Inspector General

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## Treasury Office of Inspector General Overview

The Department of the Treasury's (Treasury or the Department) Office of Inspector General (OIG) was established pursuant to the 1988 amendments to the Inspector General Act of 1978. Treasury OIG is headed by an Inspector General appointed by the President with the advice and consent of the Senate.

Treasury OIG performs independent, objective reviews of Treasury programs and operations, except for those of the Internal Revenue Service (IRS), the Troubled Asset Relief Program (TARP), and certain pandemic-related loans, loan guarantees, and other investments, and keeps the Secretary of the Treasury and Congress fully informed of problems, deficiencies, and the need for corrective actions. The Treasury Inspector General for Tax Administration and the Government Accountability Office (GAO) perform oversight related to the IRS. A Special Inspector General and GAO perform oversight related to TARP. The Special Inspector General for Pandemic Recovery and GAO perform oversight of loans, loan guarantees, and other investments under the Coronavirus Economic Stabilization Act of 2020.

Treasury OIG also performs independent oversight of programs and operations funded by the Gulf Coast Restoration Trust Fund established within Treasury by the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act). In addition to performing oversight of Treasury-related activities, Treasury OIG performs oversight of programs and operations administered by the Gulf Coast Ecosystem Restoration Council (Council), established as an independent Federal entity, and the Gulf Coast Ecosystem Restoration Science, Observation, Monitoring, and Technology Program (Science Program) administered by the National Oceanic and Atmospheric Administration (NOAA). With regard to the Council and the Science Program, Treasury OIG keeps the appointed Chairperson of the Council, the NOAA Science Program Administrator, and Congress fully informed of problems, deficiencies, and the need for corrective actions.

Treasury OIG has four components: (1) Office of Audit; (2) Office of Investigations; (3) Office of Counsel; and (4) Office of Management. Treasury OIG is headquartered in Washington, DC. Treasury OIG also has an audit office in Boston, Massachusetts.

The Office of Audit, under the leadership of the Assistant Inspector General for Audit, performs and supervises financial and performance audits, attestation engagements, and evaluations. The Assistant Inspector General for Audit also serves as the Special Deputy Inspector General for Small Business Lending Fund (SBLF) Program Oversight.

Under the Assistant Inspector General for Audit, there are four deputies. The first deputy is primarily responsible for financial sector audits to include audits of banking supervision, manufacturing of currency and coins, resource management, procurement, alcohol and tobacco excise tax revenue collection activities, SBLF programs, and the State Small Business Credit Initiative (SSBCI) authorized by the American Rescue Plan Act of 2021 (ARP). The second deputy is primarily responsible for financial management and transparency audits to include financial audits of Treasury and the Council performed by Treasury OIG staff and contractors; audits of Government-wide collection, payment, and debt programs and operations; audits of anti-money laundering/terrorist financing, foreign sanctions, intelligence programs and operations, and international programs; and audits of Emergency Rental Assistance (ERA) and Homeowners Assistance Fund (HAF) programs authorized by the Consolidated Appropriations Act, 2021 (CAA, 2021) and ARP. The third deputy is primarily responsible for cybersecurity and financial assistance audits to include audits of Treasury and the Council information systems performed by Treasury OIG staff and contractors; RESTORE Act programs and operations; the Emergency Capital Investment Program (ECIP) and the Community Development Financial Institutions (CDFI) Rapid Response Program (RRP) authorized by the CAA, 2021; and the State and Local Fiscal Recovery Funds authorized by ARP. The fourth deputy is primarily responsible for the Coronavirus Relief Fund (CRF) and the Air Carrier Worker Support programs authorized by the Coronavirus Aid, Recovery, and Economic Security Act (CARES Act).

The Office of Investigations, under the leadership of the Assistant Inspector General for Investigations, performs investigations and conducts initiatives to detect and prevent fraud, waste, and abuse in programs and operations across Treasury OIG's jurisdictional boundaries, and investigates threats against Treasury personnel and assets in designated circumstances as authorized by the Inspector General Act. The Office of Investigations also manages the Treasury OIG Hotline to facilitate reporting of allegations involving these programs and operations.

The Office of Counsel, under the leadership of the Counsel to the Inspector General, provides legal advice to the Inspector General and all Treasury OIG components. The office represents Treasury OIG in administrative legal proceedings and provides a variety of legal services, including (1) processing Freedom of Information Act and *Giglio*<sup>1</sup> requests; (2) conducting ethics training; (3) ensuring compliance with financial disclosure requirements; (4) reviewing proposed legislation and regulations;

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<sup>1</sup> *Giglio* information refers to material that may call into question the character or testimony of a prosecution witness in a criminal trial.

(5) reviewing administrative subpoena requests; and (6) preparing for the Inspector General's signature, cease and desist letters and monetary assessments against persons and entities misusing the Treasury seal and name. The Office of Counsel also responds to media and Congressional inquiries and serves as the Whistleblower Protection Coordinator for Treasury.

The Office of Management, under the leadership of the Assistant Inspector General for Management, provides administrative services to maintain the Treasury OIG administrative infrastructure, including facilities, human resources, information technology, procurement, records management, and security.

Treasury OIG's fiscal year 2022 appropriation was \$42.3 million, which includes up to \$2.8 million of 2-year funding for the RESTORE Act programs. Treasury OIG's oversight of SSBCI and SBLF programs is funded on a reimbursable basis. In addition to the annual fiscal year appropriation, Treasury OIG carried over additional multi-year and no-year funding from the previous fiscal year for oversight of pandemic relief programs, which included \$25.5 million for CRF, \$6.5 million for ERA, and \$2.6 million for HAF programs. As of March 31, 2022, Treasury OIG had 229 full-time staff.

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## Management and Performance Challenges

The Reports Consolidation Act of 2000 requires that the Department of the Treasury (Treasury or the Department) Inspector General annually provide information on the most serious management and performance challenges facing Treasury and the Gulf Coast Ecosystem Restoration Council (Council). The following is a synopsis of our annual assessments which are available, in their entirety, on the Treasury Office of Inspector General [website](#).

### Treasury

In an October 14, 2021, memorandum to Secretary of the Treasury, Janet Yellen, Acting Inspector General Richard Delmar reported the following six challenges facing the Department, of which one was new.

- Coronavirus Disease 2019 (COVID-19) Pandemic Relief
- Transition of New Administration (new)
- Cyber Threats
- Anti-Money Laundering/Terrorist Financing and Bank Secrecy Act Enforcement
- Efforts to Promote Spending Transparency and To Prevent and Detect Improper Payments
- Information Technology Acquisition and Project Management

### Gulf Coast Ecosystem Restoration Council

In an October 8, 2021, letter to the Honorable Michael Regan, Administrator of the U.S. Environmental Protection Agency, as Chairperson of the Council, Acting Inspector General Richard Delmar reported three challenges, all of which are repeat challenges.

- Loss of Key Leadership Over Administration of Gulf Coast Restoration Activities
- Federal Statutory and Regulatory Compliance
- Grant and Interagency Agreement Compliance Monitoring

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# Office of Audit – Significant Audits and Other Products

## Financial Management

### Treasury’s Consolidated Financial Statements

KPMG LLP (KPMG), a certified independent public accounting firm working under a contract with and supervised by our office, issued an unmodified opinion on the Department of the Treasury’s (Treasury or the Department) fiscal years 2021 and 2020 consolidated financial statements. KPMG reported (1) a significant deficiency in internal control over cash management information systems and a significant deficiency in internal control over Federal debt information systems at the Bureau of the Fiscal Service (Fiscal Service), collectively representing a significant deficiency for Treasury as a whole, and (2) a significant deficiency in internal control over unpaid tax assessments and a significant deficiency in internal control over financial reporting systems at the Internal Revenue Service (IRS), collectively representing a significant deficiency for Treasury as a whole. KPMG also reported that Treasury’s financial management systems did not substantially comply with certain requirements of the Federal Financial Management Improvement Act of 1996 (FFMIA) related to Federal financial management systems requirements. KPMG found no other instances of reportable noncompliance with laws, regulations, contracts, and grant agreements tested. **(OIG-22-012)**

In connection with its audit of Treasury’s consolidated financial statements, KPMG issued a management report, which provided the specific findings and recommendations pertaining to the significant deficiency in internal control over cash management and the related noncompliance with FFMIA’s Federal financial management systems requirements at Fiscal Service that were summarized in the auditors' report. **(OIG-22-026)** Additionally, KPMG issued a management letter recommending improvements to strengthen information technology and financial reporting controls with respect to (1) timely removal of terminated users from the Financial Analysis and Reporting System (FARS), (2) vulnerability program management implementation, (3) Departmental Offices (DO) information technology privileged user access review, (4) FARS audit log review, (5) timely completion of the Core trial balance to Treasury Information Executive Repository (TIER) reconciliation by Fiscal Service and monitoring by DO, (6) review over the TIER Fund Symbol Reference Report, and (7) review over the Federal Employees’ Compensation Act liability allocation. **(OIG-22-014)**

## Office of Audit – Significant Audits and Other Products

### Other Treasury Financial Audits

The Chief Financial Officers Act of 1990, as amended by the Government Management Reform Act of 1994, requires annual financial statement audits of Treasury and any component entities designated by the Office of Management and Budget (OMB). In this regard, OMB designated IRS for annual financial statement audits. The financial statements of certain other Treasury component entities are audited either pursuant to other requirements, their materiality to Treasury’s consolidated financial statements, or as a management initiative. The table below shows the audit results for fiscal years 2021 and 2020.

Treasury-audited financial statements and related audits						
Entity	Fiscal year 2021 audit results			Fiscal year 2020 audit results		
	Opinion	Material weaknesses	Significant deficiencies	Opinion	Material weaknesses	Significant deficiencies
<b>Government Management Reform Act/Chief Financial Officers Act requirements</b>						
Department of the Treasury	U	0	2	U	0	2
Internal Revenue Service (A)	U	0	2	U	0	2
<b>Other required audits</b>						
Office of Financial Stability (TARP) (A)	U	0	0	U	0	0
Bureau of Engraving and Printing	U	0	0	U	0	1
Community Development Financial Institutions Fund	U	0	0	U	0	0
Office of D.C. Pensions	U	0	1	U	0	1
Federal Financing Bank	U	0	0	U	0	0
Treasury Forfeiture Fund	U	0	0	U	0	0
U.S. Mint						
Financial Statements	U	0	0	U	0	0
Custodial Gold and Silver Reserves	U	0	0	U	0	0
<b>Other audited accounts/financial statements that are material to Treasury’s financial statements</b>						
Bureau of the Fiscal Service						
Schedule of Federal Debt (A)	U	0	1	U	0	1
Exchange Stabilization Fund	U	0	0	U	0	0
<b>Management-initiated audits</b>						
Office of the Comptroller of the Currency	U	0	0	U	0	0
Alcohol and Tobacco Tax and Trade Bureau	U	0	0	U	0	0
U.S. Gold Reserves Held by Federal Reserve Banks	U	0	0	U	0	0

(U) - Unmodified opinion and (A) - Audited by the Government Accountability Office.

In connection with the fiscal year 2021 financial statement audits, the auditors issued management letters on certain matters involving deficiencies in internal control at the United States Mint (Mint) (**OIG-22-017**), the Bureau of Engraving and Printing (BEP) (**OIG-22-022**), and the Alcohol and Tobacco Tax and Trade Bureau (**OIG-22-025**).

### Gulf Coast Ecosystem Restoration Council’s Financial Statements

The audit of the Gulf Coast Ecosystem Restoration Council’s (Council) financial statements is also required by the Chief Financial Officers Act of 1990, as amended by the Accountability of Tax Dollars Act of 2002. RMA Associates, LLC (RMA), a certified independent public accounting firm working under a contract with and supervised by our office, issued an unmodified opinion on the Council’s fiscal years 2021 and 2020 financial statements. RMA did not identify any matters involving internal control and its operation that are considered material weaknesses. Additionally, RMA did not identify any instances of reportable noncompliance with laws, regulations, contracts, and grant agreements tested. (**OIG-22-011**)

### Attestation Engagements

KPMG, under a contract with and supervised by our office, completed the reports described below in support of the audit of Treasury’s fiscal year 2021 consolidated financial statements and the financial statement audits of certain other Federal agencies.

#### Reports on the Processing of Transactions by Fiscal Service

KPMG examined general computer investment and redemption processing, and monitoring controls used for processing various Federal agencies’ transactions by Fiscal Service’s Federal Investments and Borrowings Branch, and general computer trust funds management processing and monitoring controls used for processing various Federal and State agencies’ transactions by the Fiscal Service’s Funds Management Branch for the period beginning August 1, 2020, and ending July 31, 2021. KPMG found, in all material respects, that the controls were fairly presented in the description of controls for these activities and suitably designed. KPMG also found that controls tested operated effectively throughout the period. (**OIG-22-001, OIG-22-002**)

## Federal Financial Management Improvement Act

The following instances of noncompliance with the Federal Financial Management Improvement Act of 1996, were reported in connection with the audit of Treasury’s fiscal year 2021 consolidated financial statements.

Condition	Type of noncompliance
Treasury continues to have deficiencies in IRS financial management systems. Specifically, IRS did not consistently design, implement, and operate information system controls and security programs over its financial management systems in accordance with the Federal financial management systems requirements. (First reported in fiscal year 1997)	Federal financial management system requirements
Treasury has deficiencies in Fiscal Service Government-wide cash and Federal debt management information systems. Specifically, Fiscal Service did not consistently design, implement, and operate information system controls and security programs over its cash management and Federal debt information systems in accordance with the Federal financial management systems requirements. (First reported in fiscal year 2018)	Federal financial management system requirements

The status of these instances of noncompliance, including progress in implementing remediation plans, will be evaluated as part of the audit of Treasury’s fiscal year 2022 consolidated financial statements.

## CARES Act Oversight

Title VI of the Social Security Act, as amended by Title V of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), established the Coronavirus Relief Fund (CRF) for Treasury to distribute \$150 billion to the 50 States, qualifying units of local government, the District of Columbia, U.S. Territories, and Tribal Governments for necessary expenditures due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19). The Consolidated Appropriations Act, 2021, extended the covered period for recipients of CRF payments to use funds between March 1, 2020 and December 31, 2021. Further, Treasury issued updated CRF guidance to revise the covered period for CRF. Obligations for CRF could be incurred through December 31, 2021, and were expected to be paid by September 30, 2022. As part of our ongoing oversight of the CRF payments, we issued the following report during this semiannual reporting period.

### **Apache Tribe of Oklahoma’s Use of Coronavirus Relief Fund to Secure a Bank Loan**

We issued a letter to the Chairman of the Apache Tribe of Oklahoma concerning the tribe’s use of CRF proceeds to secure a loan in the amount of \$500,000. Tribe officials informed us that \$500,000 in CRF proceeds were used to open a money market account at Liberty National Bank, as collateral for a loan. The loan proceeds were then used to make payments on a delinquent loan owed to Wells Fargo Bank, thus freeing up limited funds to pay the Apache Tribe’s bills and provide services during the pandemic. Tribal officials also noted that they were forced to close the Tribe’s Golden Eagle Casino for nearly 4 months resulting in the Apache Tribe not being able to provide some of the services that were planned in the most recent budget as of March 27, 2020.

We determined that the Apache Tribe’s use of \$500,000 in CRF proceeds for the loan in question did not comply with the CARES Act and Treasury’s CRF Guidance for State, Territorial, Local, and Tribal Governments. We also determined that using CRF proceeds as collateral for the loan with Liberty National Bank due to the lack of casino revenue was not an allowable use of funds. The Apache Tribe was not consistent with Treasury’s Guidance and Frequently Asked Questions in effect at the time the money market account was opened.

We required the \$500,000 used to secure the loan with Liberty National Bank be returned to the Apache Tribe’s CRF account to be used for eligible

obligations by December 31, 2021. **(OIG-CA-22-006, Redacted) \$500,000 Questioned Costs**

## CARES Act Compliance Monitoring

The CARES Act assigned us with responsibility for monitoring and oversight of the receipt, disbursement, and use of CRF proceeds. To carry out our monitoring responsibilities, we developed a portal via GrantSolutions, a grants management system under U.S. Department of Health and Human Services, for CRF recipients to report expenditure data on a quarterly basis. To date, CRF data has been collected up to and through March 31, 2022. This data is displayed on the Pandemic Response and Accountability Committee’s website (<https://www.pandemicoversight.gov/>). During this reporting period, we also issued the following memoranda pertaining to CRF reporting, (1) the *Coronavirus Relief Fund Prime Recipient Quarterly GrantSolutions Submissions Closeout Procedures Guide (OIG-CA-22-010)*, and (2) *Coronavirus Relief Fund Risk Analytics Dashboard Procedures (OIG-CA-22-012)*.

## Cyber/Information Technology

### FISMA

The Federal Information Security Modernization Act of 2014 (FISMA) requires Inspectors General to perform an annual, independent evaluation of their agency’s information security program and practices. During this semiannual reporting period, we issued reports on Treasury’s and the Gulf Coast Ecosystem Restoration Council’s (Council) compliance with FISMA.

### **Fiscal Year 2021 Audit of Treasury’s Information Security Program for its Collateral National Security Systems**

KPMG, working under a contract with and supervised by our office, performed an audit of Treasury’s information security program and practices for its collateral National Security Systems for the period July 1, 2020 through June 30, 2021. For fiscal year 2021, KPMG reported that Treasury established and maintained its information security program and practices for its collateral National Security Systems for the 5 Cybersecurity Functions and 9 FISMA Metric Domains. However, the program was ineffective according to U.S. Department of Homeland Security (DHS) criteria. KPMG identified 5 deficiencies within all 5 of the Cybersecurity Functions and within 8 of the 9 FISMA metric domains. KPMG made 11 recommendations to responsible officials to address

the identified deficiencies. Treasury management agreed with the recommendations and prepared planned corrective actions that were responsive to the intent of KPMG’s recommendations. Due to the sensitive nature of these systems, this report was designated Sensitive But Unclassified. **(OIG-22-004, Sensitive But Unclassified)**

### **Fiscal Year 2021 Audit of Treasury’s Information Security Program for its Unclassified Systems**

KPMG, working under a contract with and supervised by our office, performed an audit of Treasury’s information security program and practices for its unclassified systems for the period July 1, 2020 through June 30, 2021. The Treasury Inspector General for Tax Administration (TIGTA) performed the annual FISMA evaluation of the IRS’ unclassified systems. For fiscal year 2021, KPMG reported that Treasury’s information security program and practices for its unclassified systems were established and maintained for the 5 Cybersecurity Functions and 9 FISMA Metric Domains. However, the program was ineffective according to DHS criteria. KPMG identified 10 deficiencies within 4 of the 5 cybersecurity functions and within 7 of the 9 FISMA metric domains. KPMG made 22 recommendations to responsible officials to address the identified deficiencies. Treasury management agreed with the recommendations and prepared planned corrective actions that were responsive to the intent of KPMG’s recommendations. Due to the sensitive nature of these systems, this report was designated Sensitive But Unclassified **(OIG-22-005, Sensitive But Unclassified)**

### **Fiscal Year 2021 Evaluation of the Gulf Coast Ecosystem Restoration Council’s Information Security Program**

RMA Associates (RMA), a certified independent public accounting firm working under a contract with and supervised by our office, performed this year’s annual FISMA evaluation of the Council’s information security program and practices for the period July 1, 2020 through June 30, 2021. RMA reported that the Council’s information security program and practices were established and effective for the period. Accordingly, RMA did not make any recommendations to the Council. **(OIG-CA-22-003)**

## **Cybersecurity Act**

Section 107 of the Cybersecurity Information Sharing Act (CISA), under Title 1 of the Cybersecurity Act of 2015, requires Inspectors General of the Office of the Director of National Intelligence and the departments of Commerce, Defense, Energy, Homeland

Security, Justice, and the Treasury, in consultation with the Inspector General of the Intelligence Community and the Council of Inspectors General on Financial Oversight, to jointly report to Congress on the actions taken by the respective agencies over the recent 2-year period to carry out the cybersecurity information sharing provisions of CISA. During this semiannual reporting period, we issued a report covering Treasury’s cybersecurity information activities for calendar years 2019 and 2020 in support of the biennial joint report to Congress.

### Treasury’s Cybersecurity Information Sharing

We concluded that Treasury’s activities to share cyber threat indicators and defensive measures during calendar years 2019 and 2020 were adequate and aligned with provisions of CISA. Specifically, the Government Security Operations Center and Office of Cybersecurity and Critical Infrastructure Protection (1) designed and implemented sufficient policy, procedures, and practices to ensure the sharing of cyber threat indicators and defensive measures, including the removal of personally identifiable information not directly related to a cybersecurity threat; (2) did not share classified cyber threat indicators and defensive measures with the private sector that required authorization and accounting of the security clearances; (3) took appropriate, adequate, and timely actions to disseminate cyber threat indicators shared with the Federal Government; (4) shared specific aspects of cyber threat indicators that had been shared with the Federal Government; and (5) had no barriers affecting the sharing of cyber threat indicators and defensive measures, although there were reported challenges in receiving cyber information from the Financial Services Sector and other Federal agencies. Accordingly, we did not make any recommendations to Treasury. **(OIG-22-013)**

### DATA Act

Treasury and OMB led the Government-wide implementation of the Digital Accountability and Transparency Act of 2014 (DATA Act). As part of our oversight of the DATA Act implementation, we conducted a series of audits reviewing Treasury’s and the Gulf Coast Ecosystem Restoration Council’s (Council) efforts to meet their responsibilities under the DATA Act. The following reports were issued during this semiannual reporting period.

## Treasury Submitted Higher Quality Non-IRS Data in Its Fiscal Year 2020 Third Quarter DATA Act Submission, However Improvements are Still Needed

Williams, Adley & Company-DC, LLP (Williams Adley), a certified independent public accounting firm working under a contract with and supervised by our office, noted two instances where Treasury did not use data elements in accordance with the DATA Act Information Model Schema and assessed Treasury's non-IRS data as higher quality for the third quarter of fiscal year 2020. This is an improvement over fiscal year 2019, first quarter data, which was assessed at moderate. Although Treasury's completeness, timeliness, and accuracy rates all showed significant improvements, Williams Adley still noted issues regarding Treasury's non-IRS financial assistance awards. Specifically, Williams Adley noted (1) the Treasury Executive Office for Asset Forfeiture (TEOAF) did not report Equitable Sharing financial assistance awards for publication on USAspending.gov; (2) Treasury recorded noncompliant Award Descriptions for its financial assistance awards in the audited period; (3) Treasury incorrectly recorded Primary Place of Performance for financial assistance awards provided to Native American Tribal Governments; and (4) Treasury financial assistance awards for the CRF were not recorded timely.

Williams Adley recommended that Treasury, (1) continue working with TEOAF to ensure proper submission of Equitable Sharing financial assistance awards on USAspending.gov; (2) implement procedures and issue guidance to clarify what constitutes an appropriate Award Description; (3) develop a process to ensure financial assistance awards to Tribes are properly recorded, and train personnel and distribute guidance to Treasury personnel on the proper process for looking up census codes for Tribes and recording them correctly in the Financial Assistance Broker System; (4) perform an analysis of the issues encountered in recording the CARES Act financial assistance awards timely and develop lessons learned based on this analysis; and (5) develop procedures and perform training to ensure personnel are better prepared for future emergency funding events and Treasury's increased role as a grant-making agency. Treasury management generally concurred with all recommendations and outlined corrective actions that met the intent of Williams Adley's recommendations. **(OIG-22-008)**

TIGTA performed a separate audit of the IRS' efforts to report financial and payment information as required by the DATA Act. The results of Williams Adley's audit and TIGTA's audit were used to assess Treasury's efforts, as a whole, to comply with the DATA Act. Treasury's fiscal year 2020 third quality data was of excellent quality. The DATA Act error rates for the third quarter fiscal year 2020 were 1.42 percent for completeness, 5.36 percent for

accuracy, and 15.54 percent for timeliness. This was an improvement over the results of the fiscal year 2019, first quarter audit, where Treasury’s data was found to be of moderate quality. **(OIG-22-009)**

### **The Gulf Coast Ecosystem Restoration Council Met DATA Act Reporting Requirements, but Improvements are Needed**

The Council’s fiscal year 2020, fourth quarter data submission met the standards for completeness, accuracy, timeliness, and overall, was of excellent quality. While the Council’s data was of excellent quality, we found errors in certain data elements. Specifically, the Council’s File C included a grant award that was not in its File D2 submission. Therefore, the grant award was incorrectly reported in the Council’s File C submission for fiscal year 2020, fourth quarter. In addition, we found errors in certain procurement data elements made by the Council’s shared service provider, the Administrative Resource Center (ARC). Specifically, the Action Date and the Period of Performance Start Date for one contract included in File D1 did not match the contract.

We recommended that the Council’s Executive Director ensure that the Senior Accountable Officer (SAO): (1) update the Council’s “Financial Policies and Procedures Handbook” and other applicable policies and procedures to incorporate the new grant management systems and to clarify that all obligations, including grant awards, must be processed in Oracle within 3 business days. The SAO should also ensure that Council staff is adequately trained on all updated guidance; (2) continue to work closely with ARC to reduce timing errors for future DATA Act submissions; (3) document and implement additional procedures for Council staff to review periodic data element reports prior to the SAO asserting to the completeness, accuracy, timeliness, and quality of the Council’s DATA Act submission; and (4) continue to improve oversight of ARC’s future DATA Act submissions to ensure the accuracy of the Council’s procurement data, which reaffirmed our recommendation from our prior DATA Act audit report. Treasury management concurred with all recommendations. Management’s planned corrective actions met the intent of our recommendations. **(OIG-22-007)**

### **Consolidated Appropriations Act, 2021**

We are required to submit a report twice a year to Congress and Treasury on the oversight provided for programs established under Title V, Subtitle B in Division N of the Consolidated Appropriations Act, 2021 (CAA, 2021). During this semiannual reporting period, we reported on the Community Development Financial Institutions

(CDFI) Fund’s implementation of the CDFI Rapid Response Program (RRP) and on Treasury’s implementation of the Emergency Capital Investment Program (ECIP).

### Community Development Financial Institutions Fund’s Implementation of the CDFI Rapid Response Program

We found that CDFI Fund management took actions to provide emergency funding to CDFIs to respond to economic challenges that resulted from the COVID-19 pandemic. The CDFI Fund made appropriated funds available on February 25, 2021, meeting the mandated deadline of no later than 60 days after enactment of CAA, 2021 on December 27, 2020. CDFI Fund management followed OMB’s *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR 200* (Uniform Guidance) to make the funds available and design the framework for a program that could comply with CAA, 2021.

The CDFI Fund also established internal controls over CDFI RRP in accordance with the Government Accountability Office’s Standards for Internal Control in the Federal Government to include: (1) a process for CDFIs to apply for CDFI RRP awards conforming to CAA, 2021; and (2) a CDFI RRP Application evaluation process (including award determinations) to meet the legislative requirements. The CDFI RRP Application evaluation process complied with the Uniform Guidance. Furthermore, the CDFI Fund established performance goals and developed the Assistance Agreement template for the CDFI RRP that included general terms and conditions in accordance with the Uniform Guidance.

We also found the Assistance Agreement template was missing the “Award Terms and Conditions for Recipient Integrity for Performance Matters” in the terms and conditions of award. CDFI Fund officials noted the discrepancy and revised the Assistance Agreement template to include this award term and condition on June 11, 2021, before awarding any CDFI RRP grants on June 15, 2021.

We recommended the Director of the CDFI Fund ensures reviews of all other CDFI Fund Assistance Agreements are performed to confirm that the “Award Term and Condition for Recipient Integrity and Performance Matters” has been incorporated. CDFI Fund management concurred with our recommendations. Management’s corrective action plan met the intent of our recommendation. **(OIG-22-023)**

## Treasury’s Implementation of the Emergency Capital Investment Program

We found that Treasury officials established ECIP, but did not begin accepting applications and issuing rules to set required restrictions on executive compensation, share buybacks, and dividend payments by the 30-day statutory deadline of January 26, 2021. Treasury officials worked to develop the program, but did not launch the ECIP Application Portal until March 4, 2021, to allow for consultation with the Federal banking regulators. Furthermore, Treasury had not completed key documentation such as policies and procedures to include a post-investment compliance and monitoring plan to fully implement and administer investments under ECIP.

We acknowledged Treasury’s efforts to complete critical components of ECIP and begin accepting applications for the new program. In designing the program, Treasury officials (1) created and staffed a new program office, (2) conducted outreach with stakeholders, (3) issued application guidance materials and signed a memorandum of understanding (MOU) with the Federal banking regulators, and (4) developed the ECIP Application Portal to accept applications and coordinate reviews with Federal and State banking regulators. Treasury officials planned to make investment decisions within 120 days of the September 1, 2021, application deadline. On December 14, 2021, Treasury announced that 186 financial institutions were approved for ECIP capital investments totaling \$8.7 billion.

We recommended that the Deputy Assistant Secretary for Community and Economic Development ensure that the Interim Director of ECIP finalizes policies and procedures and key documentation to govern full program implementation and administration of ECIP investments, as well as, effective internal control over the program. Treasury generally concurred with our recommendation, and Treasury management’s planned corrective actions met the intent of our recommendation. **(OIG-22-028)**

## Domestic Assistance Program

We issued the following report on the CDFI Fund’s New Markets Tax Credit (NMTC) allocations awarded to Community Development Entities (CDE) in Wisconsin during this semiannual reporting period.

## Wisconsin Housing and Economic Development Authority New Markets Tax Credit Allocations

We found Wisconsin Housing and Economic Development Authority (WHEDA) CDEs used their NMTC allocations and proceeds to make Qualified Low Income Community Investments and designate Qualified Equity Investments in accordance with their Allocation Agreements and applicable Federal regulations. We also found that the CDFI Fund’s MOU with the IRS for NMTC program administration was outdated.

We recommended that the Director of the CDFI Fund, (1) include as part of Allocation Agreements a requirement that CDEs establish and adhere to written policies and procedures governing the selection of entities for NMTC program investments or loans; (2) request that the IRS establish guidance for CDEs to assess “reasonable expectations” that an entity receiving an investment or loan will satisfy the requirements to be a Qualified Active Low Income Community Business throughout the entire investment period; (3) ensure that deficiencies identified in WHEDA’s administration of NMTC allocations are considered as part of the CDFI Fund’s future awards; (4) update the MOU with the IRS to include compliance monitoring of the NMTC program with current processes and systems and language permitting CDFI Fund requests of specific Treasury Regulation §1.45D-1 compliance reviews by the IRS; and (5) update the MOU with the IRS to incorporate improved communication strategies for any completed Treasury Regulation §1.45D-1 compliance reviews. CDFI Fund management concurred with our recommendations. Management’s planned corrective actions met the intent of our recommendations. **(OIG-22-027)**

## Procurement

Williams Adley, working under a contract with and supervised by our office, issued the following report on BEP’s transition from a paper-based contract filing system, Lektriever, to an electronic file management system during this semiannual reporting period.

### Bureau of Engraving and Printing’s eFiling System

Williams Adley found that BEP did not have (1) formal and documented standard operating procedures (SOP) related to access controls for the eFiling system; (2) BEP’s contract award file checklist was incomplete compared to the requirements of Federal Acquisition Regulation (FAR) 4.802 (a)(1)(2)(3) and FAR 4.803. The checklist was missing 11 of the 66 items listed; and (3) file cabinets

were not created in the eFiling system for some of the contracts and some file cabinets created had incomplete contract documentation.

Williams Adley recommended that BEP, (1) define, document, and implement formal SOPs related to access controls including user provisioning, deprovisioning, and periodic review for the eFiling system; (2) revise the checklist to include all records and documents required in FAR 4.802 (a)(1)(2)(3) and detailed in FAR 4.803; and (3) perform periodic internal reviews to ensure that contract award files within the eFiling system are complete, accurate, and in compliance with the FAR and BEP's internal policies. BEP management concurred with all recommendations. Management's planned corrective actions met the intent of Williams Adley's recommendations. **(OIG-22-032)**.

### Resource Management

During this semiannual reporting period, RMA, under a contract with and supervised by our office, issued the following report on Treasury's design and implementation of policies and procedures related to cash discounts, as well as on the application of those policies through execution of payments to vendors and contractors made during fiscal year 2020.

#### Treasury's Use of Cash Discounts

RMA found that Treasury bureaus and offices included in its review, took cash discounts totaling \$89,431 for 576 of the 652 transactions where cash discounts were offered during fiscal year 2020. However, Fiscal Service, the Financial Crimes Enforcement Network (FinCEN), the Mint, BEP, and the Office of the Comptroller of the Currency (OCC) did not take cash discounts for the remaining 76 transactions, or 12 percent, resulting in a loss of cost savings of \$22,483. RMA also found that FinCEN, the Mint, BEP, and OCC lacked comprehensive policies and procedures for taking cash discounts when processing invoice payments with eligible discounts.

RMA recommended that the Commissioner of the Fiscal Service ensure Fiscal Service, (1) maintain adequate controls on internal processes related to payment approvals and (2) follow Fiscal Service's SOP and/or guidance relating to cash discounts including, but not limited to, Contracting Officer's Representatives (COR) approving invoices with discounts timely.

RMA recommended that the Director of BEP and the Comptroller of the Currency, ensure that BEP and OCC respectively, (1) develop, revise, and/or finalize SOPs for taking full advantage of cash discounts when offered and

applicable, as required by Section 2060 of the Treasury Financial Manual (TFM); (2) maintain adequate controls on internal processes related to payment approvals; (3) ensure that CORs approve invoices with discounts timely; and (4) distribute SOPs and guidance relating to cash discounts to BEP and OCC management, staff, Contracting Officers (CO), and CORs and provide training, as necessary.

RMA recommended that the Director of the Mint ensure that the Mint, (1) develop, revise, and finalize SOPs for taking cash discounts to ensure the process is adequately documented and personnel are instructed to take full advantage of cash discounts when offered and applicable, as required by Section 2060 of the TFM; (2) maintain adequate controls on internal processes related to payment approvals; (3) ensure that CORs approve invoices with discounts timely; (4) encourage vendors to submit their invoices within a reasonable time of the discount period that allows the Mint to take cash discounts when offered; (5) encourage vendors to use the Invoice Processing Platform when submitting their invoices for the processing of payment of invoices with discounts to be more efficient; (6) participate in required training, as necessary; and (7) distribute SOPs and guidance relating to cash discounts to Mint's management, staff, COs, and CORs, and provide training, as necessary.

RMA recommended that the Director of FinCEN ensure that FinCEN, (1) develop, revise, and finalize SOPs for taking cash discounts to ensure the process is adequately revised and documented to take full advantage of cash discounts when offered, and when applicable, as required by, Section 2060 of the TFM; (2) maintain adequate controls on internal processes related to payment approvals; (3) ensure that CORs approve invoices with discounts timely; (4) participate in required training, as necessary; and (5) distribute SOPs and guidance relating to cash discounts to FinCEN's management, staff, COs, and CORs, and provide training, as necessary.

Fiscal Service, the Mint, BEP, OCC, and FinCEN management concurred with all recommendations, and planned corrective actions to meet the intent of RMA's recommendations. A total of \$67,448 was estimated as funds be put to better use over a 3-year period. **(OIG-22-031) \$67,448 Funds Put to Better Use**

## RESTORE Act

As part of our ongoing oversight of the RESTORE Act programs, we are assessing Treasury's and the Gulf Coast Ecosystem Restoration Council's (Council) activities funded by the act. RMA, under a contract with and supervised by our office, issued the following report during this semiannual reporting period.

## **TCEQ Complied with RESTORE Act Land Acquisition Requirements**

RMA found that the Texas Commission on Environmental Quality's (TCEQ) and its subrecipients (Texas Parks and Wildlife Department, The Nature Conservancy, and Houston Parks Board) complied with land acquisition requirements stipulated in Section 1607 of the RESTORE Act, applicable Federal laws, regulations, and the award agreements. Specifically, TCEQ and its subrecipients appropriately used RESTORE Act funds to acquire land in accordance with Section 1607 of the RESTORE Act, Treasury Regulations for the Gulf Coast Restoration Trust Fund, OMB's Uniform Guidance, the Notice of Awards, and the RESTORE Council Financial Assistance Standard Terms and Conditions. RMA did not make any recommendations to the Council.  
**(OIG-22-030)**

## **Office of Investigations – Significant Investigations**

### **CARES Act Investigations**

#### **Business Owner Submitted Fraudulent Documents to Receive Coronavirus Relief Funds**

Our investigation revealed that a home healthcare company owner submitted fraudulent documents to the Louisville, Kentucky government to obtain \$17,000 in Coronavirus Aid, Relief, and Economic Security Act (CARES Act) Coronavirus Relief Funds. Criminal prosecution of the individual was presented and declined by the United States Attorney's Office (USAO) for the Western District of Kentucky.

### **Other Significant Investigations**

#### **Fraudulent Federal Reserve Document Submitted to OFAC**

Our office initiated an investigation upon receipt of a Congressional inquiry received through the Department of the Treasury's (Treasury or the Department) Office of Foreign Assets Control (OFAC). An individual submitted a fraudulent Federal Reserve document and requested assistance to process a purported outstanding claim with OFAC for the repatriation of \$2.3 trillion (USD) from Oman on behalf of a third party. Criminal prosecution of the subject was presented to and declined by the USAO for the District of Arizona. On February 22, 2022, we provided this information to the Congressional Office.

#### **Government Contractor Agrees to Civil Settlement and is Sentenced for Violations of the Trade Agreements Act and the Buy American Act Through Wire Fraud**

Our joint investigation with the General Services Administration Office of Inspector General (OIG), Defense Criminal Investigative Service, Army Criminal Investigation Division, and the Department of Homeland Security (DHS) OIG revealed that an individual violated the Trade Agreements and Buy American Acts. The subject imported Chinese goods, purported the goods to be U.S.-made, and sold the goods to Federal agencies. After successful prosecution by the USAO for the Northern District of New York, the individual was sentenced to 3 months in prison, 24 months of probation, and a \$100 special assessment for wire fraud. Additionally, the subject

executed a \$702,000 civil settlement agreement to resolve his civil liability for submission of false claims.

### **New Jersey Subject Sentenced for Obtaining Funds from a Stolen and Altered Treasury Check and Paycheck Protection Program Fraud Scheme**

Our investigation, initiated upon receipt of information from the Bureau of the Fiscal Service, revealed that an individual negotiated a stolen and altered Treasury check and submitted fraudulent Paycheck Protection Program applications to obtain over \$600,000 in program proceeds. After successful prosecution by the USAO for the District of New Jersey, the individual was sentenced to 30 months in prison, 36 months of probation, \$137,000 in restitution, \$484,000 in forfeitures, and a \$200 special assessment.

### **Mint Employee Steals Government Property**

Our office initiated an investigation after being notified that a United States Mint (Mint) employee stole error coins from a Mint facility. We recovered 185 coins from the employee, 3 of which had been handed out as souvenirs. We provided a report to the Mint, resulting in a 14 -day suspension for the employee. Criminal prosecution of the employee was presented and declined by the USAO for the District of Colorado.

### **Leak of Confidential Supervisory Information by OCC Employee Unsubstantiated**

Our investigation was initiated upon receipt of information from the Office of the Comptroller of the Currency (OCC) that an OCC employee leaked confidential supervisory information to an employee of an OCC -regulated bank during a re-examination. Our investigation found this type of information is commonly released to a bank prior to a re-examination, and the allegation was determined to be unsubstantiated. On March 21, 2022, we provided an informational report to the OCC.

### **Malware Not Detected as a Result of OIG Forensic Examination**

Our office received notification from Treasury’s Office of Counterintelligence, that two employee laptops were infected with malware during official international travel. We obtained the laptops from the office and conducted a comprehensive forensic examination of each laptop. We did not identify any evidence of malware and returned the laptops to the office.

Following is information related to significant investigative activities from prior semiannual periods.

### Subjects Sentenced for Theft of Treasury Checks

Our joint investigation with the U.S. Postal Inspection Service, Internal Revenue Service Criminal Investigation, and Treasury Inspector General for Tax Administration revealed that at least 12 subjects deposited 99 stolen Treasury checks at various branches of the same bank in Arizona, Colorado, Kansas, and Missouri. The estimated loss to the bank was over \$447,000. The case was prosecuted by the USAO for the Western District of Missouri.

**Update:** Our joint investigation concluded with eight subjects sentenced to 258 months in prison, 120 months of probation, 216 months of supervised release, \$1.5 million in restitution, and \$1,700 in special assessments.

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# Treasury OIG Accomplishments and Activities

## CIGIE Award Ceremony

Department of the Treasury (Treasury or the Department) Office of Inspector General (OIG) staff members were recognized with a prestigious award at the 24th Annual Council of the Inspectors General on Integrity and Efficiency (CIGIE) Awards Ceremony on October 12, 2021, in Washington, DC. The annual ceremony recognized the outstanding accomplishments of the Federal Inspectors General workforce.

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) Audit and Monitoring teams were recognized for excellence in carrying out their responsibilities under the CARES Act. **Andrea Smith**, Audit Director for the CARES Act Directorate II Monitoring Group, accepted the award on behalf of the group. Other Treasury OIG staff recognized with the award were **Deborah Harker**, Assistant Inspector General for Audit; **Donna Joseph**, Deputy Assistant Inspector General for Audit; **Andrew Berke**, Senior Advisor; **Eileen Kao**, Audit Director; **John Tomasetti**, Audit Director; **Daniel Gerges**, Audit Director; **Jeneba Moiwo**, Audit Manager; **Kevin King**, Audit Manager; **Dionne Smith**, Audit Manager; **Tsvetina Pashaliyska**, Audit Manager; **Thomas Schweinefuss**, Audit Manager; **Kimleon Turner**, Audit Manager; **Rafael Cumba**, Audit Manager; **Perry Chen**, Auditor-In-Charge; **Adrienne Gilbert**, Auditor-In-Charge; **Chris Culbreath**, Auditor-In-Charge; **Kenna Stroop**, Auditor-In-Charge; **Tiffany Figueroa**, Auditor-In-Charge; **Tiffany Sanders**, Auditor-In-Charge; **Veleria Tettey**, Auditor-In-Charge; **Raymond Brooks**, Auditor; **Daisy Guzman**, Auditor; **Emilie Kane**, Auditor; **Andrew Malcolm**, Auditor; **Sean Cornett**, Auditor; **Rachel Gerard**, Auditor; **Ernest Galloway**, Auditor; **Nicole Browne**, Auditor.

## Treasury OIG Leadership Roles

Treasury OIG professionals serve on various important public and private professional organizations supporting the Federal audit community. Examples of participation in these organizations include the following:

**Deborah Harker**, Assistant Inspector General for Audit, serves as the Co-Chair of the CIGIE Federal Audit Executive Council's Digital Accountability and Transparency Act (DATA Act) Working Group Governance Committee. **Ms. Harker** also represents CIGIE on the Chief Financial Officers Council, Leveraging Data as a Strategic Asset Working Group. In addition, **Ms. Harker** represents Treasury OIG on the National Association of State Auditors, Comptrollers, and Treasurers COVID-19 Accountability Work Group.

**Pauletta Battle**, Deputy Assistant Inspector General for Financial Management and Transparency Audits, chairs the Federal Audit Executive Council's DATA Act Working Group, which educates Inspectors General and Government financial communities on the DATA Act oversight process. The Working Group consists of approximately 200 members representing at least 48 OIGs.

**Donna Joseph**, Deputy Assistant Inspector General for Cyber and Financial Assistance Audits, serves as the National Single Audit Coordinator for Treasury, and is a member of the American Institute of Certified Public Accountants' National Governmental Accounting and Auditing Update Conference planning committee.

# Statistical Summary

## Summary of Treasury OIG Activities

October 1, 2021 through March 31, 2022

OIG Activity	Number or Dollar Value
<b>Office of Counsel Activities</b>	
Regulation and legislation reviews	22
Instances where information was refused	0
<b>Office of Audit Activities</b>	
Reports issued and other products	44
Disputed audit recommendations	0
Significant revised management decisions	0
Management decision in which the Inspector General disagrees	0
<b>Monetary benefits (audit)</b>	
Questioned costs	\$500,000
Funds put to better use	\$67,448
Total monetary benefits	\$567,448
<b>Office of Investigations Activities*</b>	
<b>Criminal and judicial actions (including joint investigations)</b>	
Investigative reports issued	98
Cases referred for prosecution and/or litigation	51
Individuals referred for criminal prosecution to the Department of Justice	63
Individuals referred for criminal prosecution to state and local authorities	1
Cases accepted for prosecution and/or litigation	6
Arrests	0
Indictments/informations	10
Convictions (by trial and plea)	10
Senior Staff Cases Closed During SAR Period with Misconduct Allegations	1

*\*During the reporting period, subjects were sentenced to 414 months of prison time, 900 months of probation, 8 days of community service, and ordered to pay fines, restitution, and court fees in the amount of \$1.2 million, and seizures and forfeitures in the amount of \$1.2 million.*

## Metrics Used for Office of Investigations Activities

Department of the Treasury (Treasury or the Department) Office of Inspector General (OIG) investigative statistics listed above were obtained through reports drawn from Treasury OIG's Office of Investigations case management system.

## Reports with Unimplemented Recommendations

Issued prior to October 1, 2021

The following list of Treasury OIG reports with unimplemented recommendations is based on information in Treasury’s automated audit recommendation tracking system, which is maintained by Treasury management officials, and recommendations tracked by other Federal organizations related to Treasury OIG’s oversight of the Resources and Ecosystems Sustainability, Tourist Operations, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act) programs and activities of the Gulf Coast Ecosystem Restoration Council (Council) and the National Oceanic and Atmospheric Administration’s Gulf Coast Ecosystem Restoration Science, Observation, Monitoring, and Technology Program.

Treasury OIG is reporting 131 open and unimplemented recommendations for 22 reports issued prior to October 1, 2021.

Treasury OIG considers all unimplemented recommendations for reports issued over 6 months to be significant.

### Treasury Programs and Operations

Fiscal Year	Report Number	Report Title	Date Issued
2016	OIG-16-059	<i>General Management: Treasury Has Policies and Procedures to Safeguard Classified Information but They Are Not Effectively Implemented</i>	09/16
1.	The Assistant Secretary for Intelligence and Analysis should direct the Deputy Assistant Secretary for Security to update the Treasury Security Manual to include procedures requiring the Office of Security Programs to follow up and obtain all bureau self-inspection reports. Management agreed with the recommendation.		
Fiscal Year	Report Number	Report Title	Date Issued
2018	OIG-18-018	<i>Terrorist Financing/Money Laundering: OFAC Human Resources Practices Need Improvement</i>	11/17
1.	The Office of Foreign Assets Control (OFAC) Director should ensure that		

	<p>legacy employees' current position descriptions are evaluated to ensure that the documented promotion potential of these non-supervisory employees is consistent with OFAC's current promotion practices. Management agreed with the recommendation.</p>		
Fiscal Year	Report Number	Report Title	Date Issued
2018	OIG-18-044	<i>Terrorist Financing/Money Laundering: Audit of the Office of Intelligence and Analysis' Authorities and Actions Related to U.S. Persons' Financial Information</i>	04/18
1.	<p>The Under Secretary for Terrorism and Financial Intelligence, as expeditiously as possible, should ensure that the Office of Intelligence and Analysis' (OIA) U.S. Persons Procedures are finalized and submitted for approval to the Attorney General of the United States.</p>		
2.	<p>Implement a compliance monitoring program to assess whether intelligence analysts' activities are conducted in accordance with OIA authorities, and electronic searches and other queries are performed in a manner that fully protects the rights of U.S. persons. Management agreed with the recommendations.</p>		
Fiscal Year	Report Number	Report Title	Date Issued
2019	OIG-19-007	<i>Information Technology: Department of the Treasury Federal Information Security Modernization Act Fiscal Year 2018 Performance Audit</i>	10/18
1.	<p>Treasury Inspector General for Tax Administration (TIGTA) management should establish a current enterprise baseline of software and related configurations for the TIGTA System.</p>		
2.	<p>Develop and disseminate to TIGTA personnel a TIGTA System Information System Contingency Plan that addresses purpose, scope, roles, responsibilities, management commitment, coordination, and compliance to facilitate the implementation of the contingency planning policy and associated contingency planning controls. TIGTA should conduct disaster recovery and business continuity testing for the TIGTA System on the frequency stipulated by a Business Impact Analysis. Management agreed with the recommendations.</p>		

Fiscal Year	Report Number	Report Title	Date Issued
2020	OIG-20-002	<i>Information Technology: Department of the Treasury Federal Information Security Modernization Act Fiscal Year 2019 Performance Audit for Collateral National Security Systems (Sensitive but Unclassified)</i>	10/19
1.	This recommendation is Sensitive But Unclassified. Management agreed with the recommendation.		
Fiscal Year	Report Number	Report Title	Date Issued
2020	OIG-20-003	<i>Information Technology: Department of the Treasury Federal Information Security Modernization Act Fiscal Year 2019 Performance Audit</i>	10/19
1.	The Bureau of Engraving and Printing (BEP) management should assess and remediate vulnerabilities identified during Security Content Automation Protocol configuration baseline compliance and vulnerability scanning within the required timeframes specified in the BEP Minimum Standard Parameters.		
2.	Bureau of the Fiscal Service (Fiscal Service) management should protect the confidentiality and integrity of transmissions by encrypting Fiscal Service System 2 data in transit as required by National Institute of Standards and Technology Special Publication 800-53 Revision 4, <i>Security and Privacy Controls for Federal Information Systems and Organizations</i> .		
3.	United States Mint (Mint) management should establish a quality control process to ensure that user access to Mint System 1 and other Mint information systems follow the access management process requiring the completed background investigations, signed non-disclosure agreements, signed rules of behavior, and completion of the security awareness training.		

4.	Mint management should clearly document and formally approve exemptions to the Mint's access authorization process when a business justification exists. Management agreed with the recommendations.		
Fiscal Year	Report Number	Report Title	Date Issued
2020	OIG-20-007	<i>DATA Act: Treasury Continues to Make Progress in Meeting its DATA Act Reporting Requirements</i>	11/19
1.	Treasury's Assistant Secretary for Management, working as needed with Treasury's Senior Accountable Official, the Senior Procurement Executive, reporting entities, the Program Management Office, and the Office of Management and Budget (OMB) should develop and implement a method and procedures to submit Treasury Forfeiture Fund financial assistance award data to the Financial Assistance Broker Submission in accordance with the reporting submission specifications established by the Digital Accountability and Transparency Act (DATA Act) Information Model Schema. Management agreed with the recommendation.		
Fiscal Year	Report Number	Report Title	Date Issued
2020	OIG-20-022	<i>Financial Management: Management Report for the Audit of the Department of the Treasury's Consolidated Financial Statements for Fiscal Years 2019 and 2018</i>	12/19
1.	Fiscal Service management should address the mainframe operating system vulnerabilities noted in the condition as soon as possible.		
2.	Develop a tailored mainframe operating system security configuration baseline that specifies how security configuration options are to be set based on the selected industry guidance.		
3.	Ensure that the chief information security officer assign specific responsibility for providing controls over operating system security, including access permissions to all system datasets and all security-related option settings.		
4.	Develop and document controls over changes and monitor update access to all key system datasets.		
5.	Develop and document controls and baseline documentation of mainframe operating system options specified in the configuration files.		
6.	Establish which techniques are to be used to control update access to key system datasets and to control read access to sensitive system datasets (such as the security software database and the page files), whether a		

	third-party tool is to be used, or tailored change control mechanisms, and develop procedures and documentation to support their use.
7.	Develop procedures to provide assurance that programs installed with the privileges of the operating system (whether purchased from software vendors or internally developed) do not introduce security weaknesses.
8.	Develop, document, and implement policies, procedures, and controls to conduct periodic reviews of actual mainframe security software settings against the security baseline.
9.	Develop a mainframe security software risk assessment process using the Defense Information Systems Agency (DISA) Security Technical Implementation Guide (STIG) as a guideline.
10.	Develop a tailored mainframe security software configuration baseline that specifies how security configuration options should be set based on the industry guidance. As part of this action, management should develop and document a baseline specifying for each possible setting in the security software control file how the option should be set and who is responsible for approving the setting.
11.	Use the mainframe security software configuration baseline to harden the mainframe environment, including the Payment Authorization Manager and Payments, Claims, and Enhanced Reconciliations production.
12.	Remove duplicate and excessive permissions in the mainframe security software database.
13.	Perform an annual comparison of each actual setting in the mainframe security software control file to each setting specified in the baseline to verify compliance with the baseline.
14.	Develop and document procedures for controlling updates to the mainframe security software control file.
15.	Define and document the segregation of functions and privileges based on the principle of least privilege for mainframe security software and operating system.
16.	Review and establish access permissions to the mainframe system and security software based on the principle of least privilege access.
17.	Review and re-assess each access permission in the mainframe security software dataset and resource rules on a periodic basis.
18.	Develop procedures and documentation to establish the following for each dataset permission, resource permission, and mainframe security software privilege: a. Responsibility for approving access and enforcing compliance with the principle of least privilege; b. Actual access meets the principle of least privilege; and c. Any discrepancy from approved access will be

	identified and corrected.
19.	Develop, document, and implement policies, procedures, and controls for comprehensive logging and monitoring of events. Procedures and controls should include an annual re-assessment of whether logging and reporting is adequate.
20.	Review and determine which profiles, applications, databases, and other processes on the mainframe will be logged and reviewed.
21.	Assess all mainframe logs to determine which logs should be evaluated by the incident management tool.
22.	Establish appropriate alerts and event thresholds for those mainframe logs required to be evaluated by the external tracking tool.
23.	Develop and implement data and analysis tools and processes for identifying event trends, patterns, spikes, and exceptions.
24.	Identify non-security related purposes for logging and monitoring (including performance tuning, problem management, capacity planning, and management of service level agreements); assign responsibility for addressing and integrating them with security uses of logging and monitoring.
25.	Identify the possible sources of log information; determine how each is to be used for security monitoring; and develop procedures to ensure that each type of logging which is necessary for effective security monitoring is activated.
26.	Annually assess the effectiveness of security logging and monitoring, ensuring that the volume of logged events is limited to just those that are needed for security, and ensuring that monitoring results include effective identification and response for any violations and for any significant trends (such as an increase in the number of password resets for a given group of users or repetition of the same attempted but failed attempt to access a productions dataset or resource).
27.	Identify, document, and assess the mainframe security controls affecting the system software to fully describe how mainframe security is provided. These Fiscal Service management controls should include: a. Specific assignment of responsibility for maintaining operating security, b. Skill assessment and remediation for operating system security maintenance, c. Baseline documents for mainframe configuration files, d. Standard procedures for review and maintenance of operating system security, and e. Standard procedures to compare actual configuration settings to baseline documents.
28.	Update mainframe documentation to be consistent with Fiscal Service and

	Treasury Directive Publication 85-01, <i>Department of the Treasury Information Technology Security Program</i> .
29.	Develop procedures and documentation to establish who is responsible and how effective security is achieved for controls.
30.	Implement an oversight process to determine that designated Fiscal Service personnel review and reevaluate privileges associated with the UNIX production environment semiannually for privileged accounts.
31.	Configure the systems-management software agents to include all UNIX servers, databases, and users' accounts within the UNIX environment when generating the users' lists for the semiannual review and recertification process so that all privileged and non-privileged users' access is reviewed.
32.	Update UNIX semiannual account review and recertification procedures to include quality control steps to validate that systems-management software is generating complete and accurate account listings for all UNIX servers and databases privileged and non-privileged user accounts within the UNIX environment prior to completing the review and recertification process.
33.	Finalize policies and procedures to review audit logs of production DB2 servers.
34.	Implement an oversight process to ensure that designated Fiscal Service personnel: a. Review the security logs for the UNIX and DB2 servers hosting the Payment Information Repository (PIR), Judgment Fund Internet Claim System (JFICS), and Security Payment System (SPS) applications on a pre-defined frequency, as indicated in the Fiscal Service Baseline Security Requirements (BLSR). b. Formally document completion of their reviews and any escalations to the Information System Security Office, and c. Retain the audit logs and documentation of their reviews for 18 months, as required by the BLSR.
35.	Periodically review Fiscal Service management's implementation and operation of the review of the security audit logs for the UNIX and DB2 servers hosting the PIR, JFICS, and SPS applications to determine that Fiscal Service management completes the reviews on a pre-defined basis, documents completion of the reviews and escalations, and maintains such documentation.
36.	Establish an effective enforcement process or mechanism to ensure that a. UNIX and DB2 events and monitoring controls are followed, and b. Fiscal Service management has confidence it consistently reviews for potential unauthorized or inappropriate activity.
37.	Update its current PIR security procedures to require that management obtain current PIR developer access requirement listings from the service

	provider and use them when validating the appropriateness of PIR developer access during the semiannual access reviews and recertification of the PIR and UNIX environments.
38.	Maintain the documentation used to review and recertify the access of the known PIR service provider developers evidencing that their access to the UNIX environments is commensurate with their job functions and responsibilities.
39.	Ensure that developers do not have the ability to make changes to the PIR production environment.
40.	Remove users' access once validated by the Federal Program Agency (FPA) during the SPS annual user access review.
41.	Retain evidence of recertification of all users.
42.	Oversee the recertification process and ensure that access corrections are processed once received from the FPA.
43.	Remove and disable the two users' access immediately.
44.	Implement a quality control process to ensure that PIR application accounts defined to the PIR production environment that have been inactive for over 120 days are disabled.
45.	Develop and implement documentation to assign responsibility for ensuring adequacy of UNIX and database security and baseline settings.
46.	Update existing UNIX and database configuration security baseline documents to ensure that these documents fully incorporate and enforce the components of the DISA STIG. Management should document any deviations from the STIG and note compensating controls that mitigate the security risk to an acceptable level.
47.	Develop, document, and implement policies, procedures, and controls to conduct periodic reviews of actual UNIX and database settings against the security configuration baselines.
48.	Provide logging and monitoring of security-related events to include the retention of evidence of reviews performed.
49.	Develop a baseline of essential security settings and specify that baseline as the standard to be observed.
50.	Implement corrective actions to address all vulnerabilities associated with the baseline enforcement to include removing the three default user accounts on UNIX servers. Management agreed with the recommendations.

Fiscal Year	Report Number	Report Title	Date Issued
2020	OIG-20-023	<i>BILL AND COIN MANUFACTURING: BEP Improved Governance and Oversight over Note Development and Production But Challenges Remain</i>	12/19
1.	The Director of the BEP should finalize the required 5 year update of the memorandum of understanding with the Board of Governors of the Federal Reserve System (Board) to formalize BEP and the Board's responsibilities and authorities related to notes including activities, procedures, and obligations related to the annual production, destruction, and research and development of notes. Management agreed with the recommendation.		
Fiscal Year	Report Number	Report Title	Date Issued
2020	OIG-20-027	<i>Resource Management: Audit of the Department of the Treasury Departmental Offices Executive Pay Adjustments, Bonuses, and Awards</i>	02/20
1.	Treasury's Assistant Secretary for Management should ensure that the Office of the Deputy Assistant Secretary for Human Resources and Chief Human Capital Officer (DASHR/CHCO) and the Office of Executive Resources (OER) develop, implement, and include effective internal controls within its policies and standard operating procedures (SOP) to ensure Treasury's Senior Executive Service (SES) basic pay rates are in compliance with 5 CFR 534.403(a)(3)(b), <i>Suspension of certification of performance appraisal system</i> and 5 CFR 534.404 (h)(2), <i>Setting pay upon transfer</i> .		
2.	DASHR/CHCO and OER calculate the overpayment amounts for the two Departmental Office (DO) SES members whose pay was set higher than allowed by regulation.		
3.	DASHR/CHCO and OER complete Office of Personnel Management (OPM) data calls in accordance with OPM's applicable instructions and guidance to ensure all required employees, such as those who have left Treasury, are properly reported.		
4.	DASHR/CHCO finalizes and approves Treasury's SES Pay and Awards policy, and then periodically reviews it for continued relevance, effectiveness, and transparency in making pay decisions and awarding bonuses, assesses staffing levels, workforce skills, and respective budgets to determine whether additional personnel should and can plausibly be incorporated into future strategic planning to ensure OER can meet its goals		

	and mission.		
5.	DASHR/CHCO finalizes and approves Treasury's SES Pay and Awards policy, and then periodically reviews it for continued relevance, effectiveness, and transparency in making pay decisions and awarding bonuses.		
6.	OER documents the processes and SOP, with appropriate detail, followed in administering Treasury DO SES member performance ratings, pay adjustments, and bonuses.		
7.	OER oversees the process regarding exceptions to the 12-month rule.		
8.	OER includes information regarding the approval process for waiver requests for exceptions to the 12-month rule in the instructions provided to bureau heads and DO policy offices. This information should be consistent with Federal regulations and Treasury's SES Pay and Awards policy.		
9.	OER submits Treasury's respective data call report to OPM by the due dates established by 5 CFR 534.405, <i>Performance awards</i> , and before any established deadlines per OPM's annual data call memorandum. Management agreed with the recommendations.		
Fiscal Year	Report Number	Report Title	Date Issued
2020	OIG-20-029	<i>Gulf Coast Restoration: Jefferson Parish's Internal Control over Federal Awards</i>	03/20
1. & 2.	The Fiscal Assistant Secretary should ensure that deficiencies identified in Jefferson Parish, Louisiana's (Jefferson Parish) controls over Federal awards are considered as part of the Treasury's oversight of future awards as well as risk assessments of Jefferson Parish as required by the <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</i> (2 CFR Part 200) (Uniform Guidance). This recommendation is counted as two recommendations because it applies to both findings in the report. Management agreed with the recommendations.		
Fiscal Year	Report Number	Report Title	Date Issued
2020	OIG-20-030	<i>Bill and Coin Manufacturing: The United States Mint Numismatic Order Management System is Meeting User Needs But Improvements to Oversight are Needed</i>	03/20
1.	The Mint Director ensures the Numismatic and Bullion Directorate retains evidence of its monitoring activities outlined in the contract's Quality Assurance Surveillance Plan to better document the Mint's oversight of the contractor's compliance with contract requirements.		

2.	Perform analyses to determine the feasibility and potential impact of proposed actions to improve numismatic sales, perform additional studies to enhance future sales, and report the results to stakeholders. Management agreed with the recommendations.		
Fiscal Year	Report Number	Report Title	Date Issued
2020	OIG-20-036	<i>Interim Audit Update – Coronavirus Relief Fund Recipient Reporting</i>	05/20
1.	Treasury management should support our office in accomplishing our monitoring and oversight responsibilities in the following ways: (1) assist in communications with Coronavirus Relief Fund (CRF) recipients on matters that include, but are not limited to, communications of reporting and record keeping requirements and other audit inquiries, as needed; (2) ensure that Treasury maintains communication channels with recipients to obtain and address post payment inquiries regarding specific payments; and (3) continue to update CRF guidance and disseminate to recipients as needed. Management agreed with the recommendation.		
Fiscal Year	Report Number	Report Title	Date Issued
2020	OIG-20-040	<i>BILL AND COIN MANUFACTURING: Audit of Bureau of Engraving and Printing’s Implementation of Security Features and Meaningful Access for the Blind and Visually Impaired into New Note Design</i>	06/20
1.	The Director of BEP in collaboration, as necessary, with members of the United States Currency Program:  Continue to improve the Banknote Development Process and Technology Development Process guidance, including refining procedures to reflect lessons learned during its Catalyst note series redesign.		
2.	Ensure the Advanced Counterfeit Deterrence Steering Committee charter is updated in a timely manner, and as needed, to ensure roles, responsibilities, and current practices, such as the attendance of Advanced Counterfeit Deterrence Steering Committee monthly meetings by appropriate personnel, are clearly defined and communicated to its members. Management agreed with the recommendations.		

Fiscal Year	Report Number	Report Title	Date Issued
2020	OIG-20-042	<i>MANUFACTURING AND REVENUE: Mint Controls Over Raw Materials and Coin Exchange Programs Need Improvement</i>	08/20
1.	The U.S. Mint Director should conduct regular reviews of the suppliers' quality systems to ensure that the suppliers are acting in the best interest of the Mint. This includes regular site visits or periodic reviews of the suppliers' quality system documentation.		
2.	Consider sampling and testing the material after blanking in order to assess the material quality throughout the coil.		
3.	Verify incoming raw material weights to ensure that the Mint is receiving the raw materials paid for.		
4.	Strengthen and finalize SOPs for all coin exchange programs before accepting any redemptions. This would include using tests and subject matter experts to authenticate the genuineness of coins redeemed, as well as working with the Board to develop appropriate interagency procedures to assure the integrity of the coin redemption process for uncurrent coins.		
5.	Follow all SOPs, including but not limited to, procedures related to sampling, inspecting, and testing coins; and appropriately document redemptions. Additionally, ensure that adequate background investigations are conducted on bulk redeemers and decisions to allow participation into the Mutilated Coin Redemption Program are based on relevant data from the background investigation. The Mint should add criteria, such as obtaining financial statements for analyses of the potential bulk redeemers and performing site visits at their premises, as part of the background investigation process for entry into the program. The Mint should document how this criteria was met, and if these steps were not performed, the reasons why.		
6.	Ensure that all coins returned to the Mint and removed from circulation are destroyed timely and sufficiently accounted for. Management agreed with the recommendations.		
Fiscal Year	Report Number	Report Title	Date Issued
2021	OIG-21-010	<i>INFORMATION TECHNOLOGY: Department of the Treasury Federal Information Security Modernization Act Fiscal Year 2020 Performance</i>	11/20

		<i>Audit for Collateral National Security Systems (Sensitive But Unclassified)</i>	
1-8.	This recommendation is Sensitive But Unclassified. Management agreed with the recommendations.		
Fiscal Year	Report Number	Report Title	Date Issued
2021	OIG-21-013	<i>FINANCIAL MANAGEMENT: Audit of the Office of D.C. Pensions' Financial Statements for Fiscal Years 2020 and 2019</i>	12/20
1.	Office of D.C. Pensions management should fully develop existing policies and procedures to document a process for reviewing, investigating, and resolving unusual or suspicious activity identified during the audit log review, as well as maintaining evidence of such review, investigation, and resolution. Management agreed with the recommendation.		
Fiscal Year	Report Number	Report Title	Date Issued
2021	OIG-21-020	<i>FINANCIAL MANAGEMENT: Management Letter for the Audit of the Department of the Treasury's Financial Statements for Fiscal Years 2020 and 2019</i>	12/20
1.	DO Information Technology management should ensure that the configured schedule/frequency of Financial Analysis and Reporting System backups is implemented in accordance with the minimum backup frequency required by DO and Treasury policy.		
2.	Ensure that system-generated logs of backups, including failures, are retained for the examination period and can be provided upon request.		
3.	Assist management in mitigating the risk of potential noncompliance with the Federal Managers Financial Integrity Act if (1) results of testing were not documented or (2) controls were not consistently tested by the components, management should enforce guidance on how to improve A123 documentation and implementation of internal controls. Additionally, management should perform a more detailed review of the sufficiency of the component submissions, follow up with all inconsistencies, and have documentation readily available to substantiate the conclusion that was reached. Management agreed with the recommendations.		

Fiscal Year	Report Number	Report Title	Date Issued
2021	OIG-21-021	<i>FINANCIAL MANAGEMENT: Management Report for the Audit of the Department of the Treasury's Consolidated Financial Statements for Fiscal Years 2020 and 2019</i>	02/21
1.	Fiscal Service management should complete its periodic review of the PIR user access within the annual timeframe in accordance with the PIR System Security Plan (SSP).		
2.	Address resource constraints and prioritize efforts to perform reviews within the annual timeframe in accordance with the PIR SSP.		
3.	Retain evidence to demonstrate PIR auditable events are reviewed on a weekly basis as required by the PIR Security Log SOP.		
4.	Consider resource constraints and prioritize efforts to perform timely audit logging reviews in accordance with policy and procedures.		
5.	Review the current population of JFICS accounts and disable application user access that has been inactive for greater than 120 days.		
6.	Design and implement a control to automatically disable the JFICS application user accounts after 120 days of inactivity.		
7.	Retain evidence to demonstrate that access is disabled in a timely manner in accordance with the JFICS SSP.		
8.	Perform a review of the current system environment against the Configuration Management Database (CMDB) to ensure that all information system components are inventoried.		
9.	Perform a risk assessment over the subject matter and determine the appropriate personnel to be responsible for monitoring and updating the CMDB.		
10.	Update policy and procedures related to the above recommendations and disseminate the documentation to enforce such policy and procedures.		
11.	Conduct a review of the UNIX Mid-Tier production servers to validate that backups are scheduled for all servers based on the frequency defined in the Enterprise Information Technology Infrastructure SSP for the full fiscal year.		
12.	Perform a risk assessment over the subject matter and determine the appropriate personnel to be responsible for developing a Plan of Action & Milestones (POA&M) or formal risk acceptance for vulnerabilities identified.		

13.	Disseminate policy and procedures related to the use of a POA&M or formal risk acceptance to the appropriate personnel determined above to enforce the respective vulnerability management requirements. Management agreed with the recommendations.		
Fiscal Year	Report Number	Report Title	Date Issued
2021	OIG-21-025	<i>Interim Audit Update - Air Carrier and Contractor Certifications for Payroll Support Program</i>	03/21
1.	As expeditiously as possible, Treasury management should review payments issued under Payroll Support Program 1 (PSP1) to ensure awarded amounts are allowable per the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and Treasury guidance.		
2.	As expeditiously as possible, Treasury management should remedy the incorrect amounts awarded under PSP1. Management agreed with the recommendations.		
Fiscal Year	Report Number	Report Title	Date Issued
2021	OIG-21-026	<i>BILL AND COIN MANUFACTURING: Audit of Physical Security at U.S. Mint Production Facilities (Sensitive But Unclassified)</i>	04/21
1-17.	This recommendation is Sensitive But Unclassified. Management agreed with the recommendations.		
Fiscal Year	Report Number	Report Title	Dates Issued
2021	OIG-21-028	<i>FINANCIAL MANAGEMENT: Audit of Treasury's Compliance With the PIIA Requirements for Fiscal Year 2020</i>	05/21
1.	Treasury's Risk and Control Group (RCG) should work with Fiscal Service management to revise its controls over the review and approval process to verify the quantitative risk assessment includes sufficient supporting documentation to substantiate Fiscal Service's improper payment amount derived from its non-statistical sampling methodology.		
2.	Treasury's RCG should Work with Fiscal Service and Mint management to provide evidence of sufficient review and approval on the program-specific risk assessments indicating management responses to risk assessment questions are complete and accurate. Management agreed with the recommendations.		

## Closed Investigations of Senior Government Employees Not Publicly Disclosed

October 1, 2021 through March 31, 2022

Treasury OIG closed one investigation involving a senior Government employee during the period that was not publicly disclosed. The investigation determined that the allegation of misconduct against the senior Government employee was unsubstantiated.

<b>Case Number</b>	<b>Allegation/Disposition</b>
USM-22-0004-I	Treasury OIG initiated an investigation upon receipt of an anonymous complaint alleging a Mint SES employee committed an ethics violation. The employee consented to an interview for a publication by a current contractor involved in a recomplete process. The investigation determined the allegation was unsubstantiated because the SES's employee's participation in the interview was approved by the Mint's Office of Corporate Communications per Mint and Treasury policy. On November 23, 2021, a report was provided to the Mint for their information. The matter was not referred to the Department of Justice. <i>Unsubstantiated</i>

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## Summary of Instances of Whistleblower Retaliation

October 1, 2021 through March 31, 2022

There was one case of whistleblower retaliation opened and established to report for the period.

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## **Summary of Attempts to Interfere With Treasury OIG Independence, Including Instances Where Information or Assistance Request was Refused**

October 1, 2021 through March 31, 2022

There were no attempts made to resist, delay, or restrict Treasury OIG access to records or other information and no instances where an information or assistance request was refused during this reporting period.

## Listing of Audit Products Issued

October 1, 2021 through March 31, 2022

### Office of Audit

*Letter to the Honorable Michael Regan, Administrator, Environmental Protection Agency and Chairperson, Gulf Coast Ecosystem Restoration Council: 2022 Management and Performance Challenges* (OIG-CA-22-001, 10/8/2021)

*Management And Performance Challenges Facing the Department of the Treasury FY 2022* (OIG-CA-22-002, 10/14/2021)

*FINANCIAL MANAGEMENT: Report on the Bureau of the Fiscal Service Federal Investments and Borrowings Branch's Description of its Investment and Redemption Services and the Suitability of the Design and Operating Effectiveness of its Controls for the Period August 1, 2020 to July 31, 2021* (OIG-22-001, 10/14/2021)

*FINANCIAL MANAGEMENT: Report on the Bureau of the Fiscal Service Funds Management Branch's Description of its Trust Funds Management Services and the Suitability of the Design and Operating Effectiveness of its Controls for the Period August 1, 2020 to July 31, 2021* (OIG-22-002, 10/14/2021)

*INFORMATION TECHNOLOGY: The Gulf Coast Ecosystem Restoration Council Federal Information Security Modernization Act of 2014 Evaluation Report for Fiscal Year 2021* (OIG-CA-22-003, 10/20/2021)

*FINANCIAL MANAGEMENT: Audit of the United States Mint's Schedules of Custodial Deep Storage Gold and Silver Reserves as of September 30, 2021 and 2020* (OIG-22-003, 10/22/2021)

*INFORMATION TECHNOLOGY: Department of the Treasury Federal Information Security Modernization Act Fiscal Year 2021 Performance Audit for the Collateral National Security Systems* (OIG-22-004, 10/27/2021) **Sensitive But Unclassified, Not Publicly Disclosed**

*CYBERSECURITY/INFORMATION TECHNOLOGY: Department of the Treasury Federal Information Security Modernization Act Fiscal Year 2021 Performance Audit* (OIG-22-005, 10/28/2021) **Sensitive But Unclassified, Not Publicly Disclosed**

*FINANCIAL MANAGEMENT: Audit of the Department of the Treasury's Schedules of United States Gold Reserves Held by Federal Reserve Banks as of September 30, 2021 and 2020 (OIG-22-006, 10/29/2021)*

*GULF COAST RESTORATION–DATA Act: Council Met DATA Act Reporting Requirements but Improvements Are Needed (OIG-22-007, 11/3/2021)*

*DATA ACT: Treasury Submitted Higher Quality Non-IRS Data in Its Fiscal Year 2020 Third Quarter DATA Act Submission, However Improvements are Still Needed (OIG-22-008, 11/8/2021)*

*Audit of Treasury's Reporting Under the DATA Act–Summary Results (OIG-22-009, 11/8/2021)*

*FINANCIAL MANAGEMENT: Audit of the Federal Financing Bank's Financial Statements for Fiscal Years 2021 and 2020 (OIG-22-010, 11/10/2021)*

*FINANCIAL MANAGEMENT: Audit of the Gulf Coast Ecosystem Restoration Council's Financial Statements for Fiscal Years 2021 and 2020 (OIG-22-011, 11/15/2021)*

*FINANCIAL MANAGEMENT: Audit of the Department of the Treasury's Consolidated Financial Statements for Fiscal Years 2021 and 2020 (OIG-22-012, 11/15/2021)*

*Quarterly Summary Memorandum to the Lead Inspector General, Department of Defense: Overseas Contingency Operations–Summary of Work Performed by the Department of the Treasury Related to Terrorist Financing and Anti-Money Laundering for Fourth Quarter Fiscal Year 2021 (OIG-CA-22-005, 11/22/2021)*

*CYBERSECURITY/INFORMATION TECHNOLOGY: Audit of the Department of the Treasury's Cybersecurity Information Sharing (OIG-22-013, 11/23/2021)*

*FINANCIAL MANAGEMENT: Management Letter for the Audit of the Department of the Treasury's Consolidated Financial Statements for Fiscal Years 2021 and 2020 (OIG-22-014, 12/1/2021)*

*FINANCIAL MANAGEMENT: Audit of the Office of D.C. Pensions' Financial Statements for Fiscal Years 2021 and 2020 (OIG-22-015, 12/7/2021)*

*FINANCIAL MANAGEMENT: Audit of the United States Mint's Financial Statements for Fiscal Years 2021 and 2020 (OIG-22-016, 12/7/2021)*

*FINANCIAL MANAGEMENT: Management Letter for the Audit of the United States Mint's Financial Statements for Fiscal Years 2021 and 2020 (OIG-22-017, 12/7/2021)*

*FINANCIAL MANAGEMENT: Audit of the Office of the Comptroller of the Currency's Financial Statements for Fiscal Years 2021 and 2020 (OIG-22-018, 12/10/2021)*

*FINANCIAL MANAGEMENT: Audit of the Department of the Treasury Forfeiture Fund's Financial Statements for Fiscal Years 2021 and 2020 (OIG-22-019, 12/15/2021)*

*FINANCIAL MANAGEMENT: Audit of the Community Development Financial Institutions Fund's Financial Statements for Fiscal Years 2021 and 2020 (OIG-22-020, 12/15/2021)*

*FINANCIAL MANAGEMENT: Audit of the Bureau of Engraving and Printing's Financial Statements for Fiscal Years 2021 and 2020 (OIG-22-021, 12/20/2021)*

*FINANCIAL MANAGEMENT: Management Letter for the Audit of the Bureau of Engraving and Printing's Financial Statements for Fiscal Years 2021 and 2020 (OIG-22-022, 12/20/2021)*

*CORONAVIRUS DISEASE 2019 PANDEMIC RELIEF PROGRAMS: Audit of the Community Development Financial Institutions Fund's Implementation of the CDFI Rapid Response Program (OIG-22-023, 12/21/2021)*

*FINANCIAL MANAGEMENT: Audit of the Alcohol and Tobacco Tax and Trade Bureau's Financial Statements for Fiscal Years 2021 and 2020 (OIG-22-024, 12/21/2021)*

*FINANCIAL MANAGEMENT: Management Letter for the Audit of the Alcohol and Tobacco Tax and Trade Bureau's Financial Statements for Fiscal Years 2021 and 2020 (OIG-22-025, 12/21/2021)*

*FINANCIAL MANAGEMENT: Management Report for the Audit of the Department of the Treasury's Consolidated Financial Statements for Fiscal Years 2021 and 2020 (OIG-22-026, 12/22/2021)*

*Apache Tribe of Oklahoma's Use of Coronavirus Relief Fund Payment (OIG-CA-22-006, 12/28/2021) Redacted, Questioned Costs \$500,000*

*Memorandum for the Honorable Richard K. Delmar, Treasury Deputy Inspector General: Joint Purchase and Integrated Card Violation Report (April 1, 2021–September 30, 2021) (OIG-CA-22-007, 1/14/2022) Internal Memorandum, Not Publicly Disclosed*

*Letter to Shalanda Young, Acting Director, Office of Management and Budget: Annual Report on the Status of the Department of the Treasury's Implementation of Purchase and Travel Card Audit Recommendations (OIG-CA-22-008, 1/21/2022)*

*Letter to Shalanda Young, Acting Director, Office of Management and Budget: Annual Report on the Status of the Gulf Coast Ecosystem Restoration Council's Implementation of Purchase and Travel Card Audit Recommendations (OIG-CA-22-009, 1/20/2022)*

*DOMESTIC ASSISTANCE: Audit of Wisconsin Housing and Economic Development Authority New Markets Tax Credit Allocations (OIG-22-027, 2/2/2022)*

*Coronavirus Relief Fund Prime Recipient Quarterly Grant Solutions Submissions Closeout Procedures Guide (OIG-CA-22-010, 2/14/2022)*

*Quarterly Summary Memorandum to the Lead Inspector General, Department of Defense: Overseas Contingency Operations—Summary of Work Performed by the Department of the Treasury Related to Terrorist Financing and Anti-Money Laundering for First Quarter Fiscal Year 2022 (OIG-CA-22-011, 2/17/2022)*

*Coronavirus Relief Fund Risk Analytics Dashboard Procedures (OIG-CA-22-012, 3/7/2022)*

*CORONAVIRUS DISEASE 2019 PANDEMIC RELIEF PROGRAMS: Audit of Treasury's Implementation of the Emergency Capital Investment Program (OIG-22-028, 3/8/2022)*

*FINANCIAL MANAGEMENT: Audit of the Exchange Stabilization Fund's Financial Statements for Fiscal Years 2021 and 2020 (OIG-22-029, 3/9/2022)*

*GULF COAST RESTORATION—RESTORE Act: TCEQ Complied with RESTORE Act Land Acquisition Requirements (OIG-22-030, 3/15/2022)*

*RESOURCE MANAGEMENT: Audit of the Department of the Treasury's Use of Cash Discounts (OIG-22-031, 3/23/2022) **Funds Put to Better Use \$67,448***

*CONTRACT AUDIT: Audit of the Bureau of Engraving & Printing's eFiling System (OIG-22-032, 3/25/2022)*

*REVENUE COLLECTION: The U.S. Customs and Border Protection's Oversight of the Merchandise Transported In-Bond Program Needs Improvement to Better Ensure the Protection of Revenue (OIG-22-033, 3/31/2022)*

## Audit Reports Issued With Questioned Costs

October 1, 2021 through March 31, 2022

Category	Total No. of Reports	Total Questioned Costs	Total Unsupported Costs
For which no management decision had been made by beginning of reporting period	1	\$2,550	\$0
Which were issued during the reporting period	1	\$500,000	\$0
Subtotals	2	\$502,550	\$0
For which a management decision was made during the reporting period	1	\$2,550	\$0
Dollar value of disallowed costs	0	\$0	\$0
Dollar value of costs not disallowed	1	\$2,550	\$0
For which no management decision was made by the end of the reporting period	1	\$500,000	\$0
For which no management decision was made within 6 months of issuance	0	\$0	\$0
Questioned costs include expenditures: (1) that are questioned because of an alleged violation of a provision of a law, regulation, contract, or other requirement governing the expenditure of funds; (2) that, at the time of the audit, are not supported by adequate documentation (i.e., unsupported costs); or (3) used for the intended purpose that are unnecessary or unreasonable.			

## Audit Reports Issued With Recommendations that Funds Be Put to Better Use

October 1, 2021 through March 31, 2022

Category	Total No. of Reports	Total	Savings	Revenue Enhancement
For which no management decision had been made by beginning of reporting period	0	\$0	\$0	\$0
Which were issued during the reporting period	1	\$67,448	\$67,448	\$0
Subtotals	1	\$67,448	\$67,448	\$0
For which a management decision was made during the reporting period	0	\$0	\$0	\$0
Dollar value of recommendations agreed to by management	0	\$0	\$0	\$0
Dollar value based on proposed management action	0	\$0	\$0	\$0
Dollar value based on proposed legislative action	0	\$0	\$0	\$0
Dollar value of recommendations not agreed to by management	0	\$0	\$0	\$0
For which no management decision was made by the end of the reporting period	1	\$67,448	\$67,448	\$0
For which no management decision was made within 6 months of issuance	0	\$0	\$0	\$0
<p>A recommendation that funds be put to better use denotes funds could be used more efficiently if management took actions to implement and complete the recommendation including: (1) reduction in outlays; (2) de-obligations of funds from programs or operations; (3) costs not incurred by implementing recommended improvements related to operations; (4) avoidance of unnecessary expenditures noted in pre-award review of contract or grant agreements; (5) any other savings which are specifically identified; or (6) enhancements to revenues of the Federal Government.</p>				

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## **Reports for Which No Management Comment was Returned Within 60 Days**

As of March 31, 2022

There were no such reports issued for comment over 60 days as of the end of the reporting period.

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## **Reports Issued Over 6 Months for Which No Management Decision Has Been Made**

As of March 31, 2022

There were no such reports as of the end of this reporting period.

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## **Significant Revised Management Decisions**

October 1, 2021 through March 31, 2022

There were no significant revised management decisions during the reporting period.

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## **Significant Disagreed Management Decisions**

October 1, 2021 through March 31, 2022

There were no significant disagreed management decisions during the reporting period.

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## Peer Reviews

October 1, 2021 through March 31, 2022

### Office of Audit

Audit organizations that perform audits and attestation engagements of Federal Government programs and operations are required by generally accepted government auditing standards to undergo an external peer review every 3 years. The objectives of an external peer review are to determine, during the period under review, whether the audit organization was complying with its quality control system to provide the audit organization with reasonable assurance that it was conforming to applicable professional standards. Federal audit organizations can receive a peer review rating of *Pass*, *Pass with Deficiencies*, or *Fail*.

The most recent peer review of our office was performed by the U.S. Department of Health and Human Services (HHS) OIG. In its report dated September 27, 2021, HHS OIG rendered a *Pass* rating for our system of quality control in effect for the year ended March 31, 2021. External audit peer review reports of our office are available on Treasury OIG's [website](#). Treasury OIG did not perform any peer reviews of other Federal audit organizations during this reporting period.

### Office of Investigations

Council of the Inspectors General on Integrity and Efficiency (CIGIE) mandates that the investigative law enforcement operations of all OIGs undergo peer reviews every 3 years to ensure compliance with (1) CIGIE's investigations quality standards and (2) the relevant guidelines established by the Office of the Attorney General of the United States.

In its report dated January 5, 2021, the Federal Housing Finance Agency OIG found our office to be in compliance with all relevant guidelines for fiscal year 2020. During this reporting period, our office did not perform a peer review of another OIG.

## Other Reporting Requirements and Requests

This section addresses certain reporting requirements of our office that are separate from the reporting requirements in the Inspector General Act of 1978 (as amended).

### **The U.S. Customs and Border Protection's Oversight of the Merchandise Transported In-Bond Program Needs Improvement to Better Ensure the Protection of Revenue**

We performed an audit of the Department of Homeland Security (DHS) U.S. Customs and Border Protection's (CBP) Merchandise Transported In-Bond (In-Bond) Program to meet our biennial requirement to report on the effectiveness of measures taken by CBP to protect revenue in accordance with Section 112 of the Trade Facilitation and Trade Enforcement Act of 2015.

We found CBP's policies and procedures to be inadequate with respect to the monitoring and tracking of merchandise transported in-bond and collecting respective duties, taxes, and fees. Specifically, we found (1) DHS's Cargo Security and Controls Division's (CSC) oversight of the In-Bond Program operations at field offices and ports needs improvement; (2) Ports do not adequately monitor and track in-bond movements; (3) Automated Commercial Environment (ACE), the system of record for in-bond merchandise, limitations impeded data quality for the In-Bond Program; (4) Ports perform limited in-bond compliance examinations; (5) CBP's training program for the oversight of in-bond shipments needs improvement; and (6) CBP's documented custodial bonding policy does not adequately protect Customs revenue associated with in-bond cargo.

We made 20 recommendations to the CBP Commissioner to, (1) ensure CSC officials develop and disseminate performance measures specific to the In-Bond Program so that CSC, field offices, and port personnel are aware of program expectations; (2) ensure CSC officials develop written procedures for CSC's oversight of port performance relating to the In-Bond Program to include, but not be limited to, regular data analytics and review of ACE reports; (3) ensure CSC officials work with Trade Transformation Office (TTO) officials to implement a central repository to store ACE reports, compliance examination documentation, and other in-bond related information, including training materials, maintained by the ports so that CSC can oversee in-bond activity, and for CSC to regularly notify field offices and ports that these documents are available in this repository; (4) ensure CSC officials expand the Self-Inspection Program in-bond Self-Inspection Worksheets (SIW) questions to cover key program areas, such as the ports' use of ACE reporting to oversee overdue

in-bond shipments and training for CBP officers on in-bond compliance examinations and audits; (5) ensure CSC officials provide guidance to the ports on how to respond to in-bond SIW questions to include scenarios and the appropriate response given those scenarios; (6) ensure Office of Information Technology officials assess and address each port's need for infrastructure and equipment upgrades to effectively operate and meet information system requirements; (7) ensure CSC officials issue policies and procedures for ports on ACE reports they are expected to run regularly to oversee in-bond shipments and ensure in-bonds are closed out, to include issuing guidance necessary to monitor shipments in ACE as well as review proof of exports; (8) ensure CSC officials issue policies and procedures for CSC to regularly review the monitoring and tracking of in-bond shipments conducted by the ports; (9) ensure CSC officials update in-bond regulations to require a standardized proof of export to be uploaded to ACE for all cargo exported; (10) ensure CSC officials provide TTO officials business requirements after regulations are updated so that TTO can update ACE to require proof of export for closure of in-bonds that are exported; (11) ensure Office of Trade officials, with input from CSC officials, update regulations to support ACE functionality and data quality to modernize the in-bond process, to include improving the report processing time, improving the quality of reports, and addressing Commercial Operations Advisory Committee concerns regarding the system; (12) ensure CSC officials provide TTO officials with business requirements after regulations are updated so that TTO can implement changes in ACE to modernize in-bond tracking and automation processes and enhance data quality to meet user needs; (13) direct CSC officials to consider updating guidance on compliance examinations to require ports to examine a statistically valid sample of in-bond shipments so that cargo reviewed is more representative of all in-bond shipments, to include guidance for instructions on waivers of examination and for documenting the justification for these waivers; (14) ensure CSC officials provide the ports with written policies and procedures to ensure compliance examinations are adequate and consistent, to include selecting cargo for review, conducting examinations, documenting the process used for the review and the results, and storing the records; (15) ensure CSC officials regularly sample and review compliance examinations conducted by the ports to ensure ports are complying with CBP policy; (16) ensure CSC and TTO officials formalize standardized in-bond training for Headquarters' offices, field offices, and ports to ensure all ports are operating under national policy, to include training covering key areas such as compliance examinations and audits, ACE reports, bonding requirements, and risk assessments of the trade community; (17) ensure CSC and TTO officials require ACE training related to the oversight of in-bond cargo for all CBP officers; (18) ensure that CSC and TTO officials coordinate to provide regular and comprehensive ACE training course offerings related to the oversight of in-bond cargo to satisfy employee training needs; (19) ensure the Commercial

Operations Revenue & Entry (CORE) Division coordinates with the Revenue Division and CSC officials to improve custodial bonding to address the risks of merchandise transported in-bond and update CBP's bonding policy, including policy to improve the connectivity between in-bond shipments and respective duties, taxes, and fees by considering estimated duties when determining the appropriate bond coverage; and (20) ensure the CORE Division provides general bond training to include setting the appropriate bond amounts.

CBP management concurred with our recommendations and outlined corrective actions to address our recommendations. Management also expressed concern in their management letter response regarding statements made in our report that, (1) characterized CBP in-bond data as being unreliable; (2) concluded unreconcilable differences existed with CBP's number of open and past due in-bond shipments; and (3) concluded there was no way for us to determine the magnitude of uncollected revenue. Management stated that CBP devotes extensive efforts to ensure data integrity and believed that differences in the number of open and past due in-bond shipments were fully explainable. Management further stated that sufficient time was not available for program officials and subject matter experts to fully explain how CBP maintained data integrity and the reasons for differences.

While CBP management's planned corrective actions met the intent of our recommendations, we disagreed with CBP management's interpretation of the statements we made in the report regarding unreliable data and the magnitude of uncollected revenue resulting from in-bond shipments that were not properly closed out. **(OIG-22-033)**

### Reviews of Bank Failures with Nonmaterial Losses

We conduct reviews of failed banks supervised by the Office of the Comptroller of the Currency (OCC) with losses to the Federal Deposit Insurance Corporation's (FDIC) Deposit Insurance Fund (DIF) that do not meet the definition of a material loss in the Federal Deposit Insurance Act. The reviews are performed to fulfill the requirements found in 12 U.S.C. §1831o(k). The term "material loss" triggers a material loss review if a loss to the DIF exceeds \$50 million (with provisions to increase that trigger to a loss that exceeds \$75 million under certain circumstances). For losses that are not material, the Federal Deposit Insurance Act requires that each 6-month period, the Office of Inspector General (OIG) of the Federal banking agency must (1) identify the estimated losses that have been incurred by the DIF during that 6 month period and (2) determine the grounds identified by the failed institution's regulator for appointing the FDIC as receiver, and whether any unusual circumstances exist

that might warrant an in---depth review of the loss. For each 6month period, we are also required to prepare a report to the failed institutions' regulator and the Congress that identifies (1) any loss that warrants an in--depth review, together with the reasons why such a review is warranted and when the review will be completed; and (2) any losses where we determine no in---depth review is warranted, together with an explanation of how we came to that determination.

There were no banks supervised by OCC that failed during this reporting period.

### **Overseas Contingency Operations Quarterly Summary Memoranda to the Department of Defense OIG**

During this reporting period, we issued two summary memoranda to the Department of Defense OIG regarding information we obtained on the Department of the Treasury's (Treasury or the Department) activities with respect to disrupting the Islamic State of Iraq and Syria's (ISIS) finances. The memoranda included specific examples of activities to disrupt ISIS's financing, information on Treasury programs that combat terrorist financing, and work we performed or plan to perform to review these programs. **(OIG-CA-22-005, OIG-CA-22-011)**

### **Annual Reports on the Status of Implementation of Purchase and Travel Card Audit Recommendations**

We provided annual reports on the progress made by Treasury and by the Gulf Coast Ecosystem Restoration Council (Council) in implementing charge card related audit recommendations in accordance with the Government Charge Card Abuse Prevention Act of 2012. Our office did not issue any charge card related audit findings and recommendations to Treasury or the Council and did not have anything to report for fiscal year 2021. **(OIG-CA-22-008, OIG-CA-22-009)**

## References to the Inspector General Act

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Section 5a(22)(A)	Description of each inspection, evaluation, and audit that was closed and not publicly disclosed	47-50
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Section 5(d)	Serious or flagrant problems, abuses, or deficiencies	N/A
Section 6(b)(2)	Report to Secretary when information or assistance is unreasonably refused	46

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## Abbreviations

ACE	Automated Commercial Environment
ARP	American Rescue Plan Act of 2021
ARC	Administrative Resource Center
BEP	Bureau of Engraving and Printing
Board	Board of Governors of the Federal Reserve System
CAA, 2021	Consolidated Appropriations Act, 2021
CARES Act	Coronavirus Aid, Relief, and Economic Security Act
CBP	Customs and Border Protection
CDE	Community Development Entities
CDFI	Community Development Financial Institutions
CIGIE	Council of the Inspectors General on Integrity and Efficiency
CISA	Cybersecurity Information Sharing Act
CO	Contracting Officer
COR	Contracting Officer Representative
Council	Gulf Coast Ecosystem Restoration Council
COVID-19	Coronavirus Disease 2019
CRF	Coronavirus Relief Fund
CSC	Cargo Security and Controls Division
DASHR/CHCO	Office of the Deputy Assistant Secretary for Human Resources and Chief Human Capital Officer
DATA Act	Digital Accountability and Transparency Act
DHS	Department of Homeland Security
DIF	Deposit Insurance Fund
DO	Departmental Offices
ECIP	Emergency Capital Investment Program
FAR	Federal Acquisition Regulation
FinCEN	Financial Crimes Enforcement Network
Fiscal Service	Bureau of the Fiscal Service
FISMA	Federal Information Security Modernization Act of 2014
GAO	Government Accountability Office
In-bond	Merchandise Transported In-Bond
IRS	Internal Revenue Service
JFICS	Judgment Fund Internet Claim System
KPMG	KPMG LLP
MOU	memorandum of understanding
Mint	United States Mint
NMTC	New Markets Tax Credit
OCC	Office of the Comptroller of the Currency
OER	Office of Executive Resources

OFAC	Office of Foreign Assets Control
OIG	Office of Inspector General
OMB	Office of Management and Budget
OPM	Office of Personnel Management
PIR	Payment Information Repository
PRAC	Pandemic Response Accountability Committee
RESTORE Act	Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012
RMA	RMA Associates
RPA	Robotic Process Automation
RRP	Rapid Response Program
SAO	Senior Accountable Officer
SBLF	Small Business Lending Fund
Science Program	Gulf Coast Ecosystem Restoration Science, Observation, Monitoring, and Technology Program
SES	Senior Executive Service
SPS	Security Payment System
SOP	standard operating procedures
SSP	System Security Plan
TFM	Treasury Financial Manual
TIGTA	Treasury Inspector General for Tax Administration
Treasury or the Department	Department of the Treasury
TTO	Trade Transformation Office
Uniform Guidance	Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200)
USAO	U.S. Attorney's Office
Williams Adley	Williams, Adley & Company-DC, LLP



**View of the Treasury Building in Washington, DC**  
Source: Treasury Graphics Branch

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### Report Waste, Fraud, and Abuse

Submit a complaint regarding Treasury OIG Treasury Programs and Operations and Gulf Coast Restoration using our online form: <https://oig.treasury.gov/report-fraud-waste-and-abuse>

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For information about whistleblowing and reprisal and about your rights and responsibilities as a Treasury employee or contractor, please contact the OIG Whistleblower Ombudsman Program at 202-927-0650 or Email:

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