



Semiannual Report to Congress

April 1, 2019—September 30, 2019
OIG-CA-20-007

Office of Inspector General
Department of the Treasury

Highlights

During this semiannual reporting period, the Office of Audit issued 25 products. The office also identified \$18.3 million in questioned costs. Work by the Office of Investigations resulted in 8 indictments and 13 convictions. Some of our more significant results for the period are described below:

- Our audit of the Community Development Financial Institution (CDFI) Fund's CDFI Program awards made to ASI Federal Credit Union (ASI) questioned approximately \$12.3 million awarded to ASI in fiscal year (FY) 2006 through FY 2009, FY 2011, and FY 2012 because ASI management submitted invalid information to the CDFI Fund in its December 2005 CDFI Certification Application and Assistance Applications for Financial Assistance (FA) as well as failed to deploy all Healthy Food Financing Initiative FA awards.
- Our audit of payments made to the Michigan State Housing Development Authority under the Department of the Treasury's (Treasury or the Department) Payments to States for Low-Income Housing Projects in Lieu of Low-Income Housing Credits for 2009 (1602 Program) questioned over \$5.7 million of ineligible and unsupported costs related to interest earned and initial asset management fees.
- Our audit of payments made to the Georgia Department of Community Affairs under Treasury's 1602 Program questioned \$281,473 of unallowable and ineligible costs included in the cost bases of two low-income housing projects.
- Our investigation revealed the owner of a solar energy company submitted five American Recovery and Reinvestment Act of 2009 (Recovery Act) Section 1603 Program Payments for Specified Energy Property in Lieu of Tax Credits, (1603 Program) grant applications for solar projects that were not placed in service, resulting in funding of \$3.1 million. The subject pled guilty to Wire Fraud and was ordered to pay \$3.1 million in restitution in the U.S. Attorney's Office (USAO), District of New Jersey.
- Our joint investigation with the U.S. Department of Agriculture's, Rural Utilities Service, determined an energy company improperly received an overpayment of \$3.2 million in 1603 Program payments, for construction of an open loop biomass facility in Gypsum, Colorado. The company agreed to pay a civil settlement of \$2.35 million, and two principals of the company agreed to pay civil settlements of \$125,000 each. The agreements were negotiated by the USAO, District of Colorado.
- Our joint investigation with the Treasury Inspector General for Tax Administration determined that a subject stole, altered, and negotiated a \$342,000 Treasury check at a Treasury-regulated financial institution. The subject was sentenced to 36 months in prison (time served), 12 months of probation, and ordered to pay \$342,000 in restitution for Defrauding the U.S. Government by altering Treasury checks. A co-conspirator was indicted by a Grand Jury and deported to Haiti on unrelated immigration issues.



Message from the Inspector General

This is the Department of the Treasury (Treasury or the Department) Office of Inspector General (OIG) Semiannual Report to Congress for the 6-month period ended September 30, 2019. I would like to express my admiration and appreciation to all Treasury OIG staff for making possible the significant audit and investigative results that are summarized in this Semiannual Report, and to Congress and Treasury for their sustained commitment to the important work of our office.

During this reporting period, Inspector General Thorson retired. He served as Inspector General from August 2008 to June 2019, during three Administrations. He assumed the office in a period of great challenge to the Department, as the Great Recession was intensifying. He led the OIG as it reviewed dozens of bank failures, the implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act, including the establishment of the Financial Stability Oversight Council and the realignment of national bank and thrift institution oversight. He chaired the Council of Inspectors General on Financial Oversight.

He led the oversight of the operations and disbursements of the Small Business Lending Fund and State Small Business Credit Initiative programs, the American Recovery and Reinvestment Act programs, and the Gulf Coast Ecosystem Restoration Council and its implementation of the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act (RESTORE Act) programs. These programs involved grants and payments of billions of dollars for complex projects, and necessitated sophisticated audit and investigative processes to assure the integrity and efficiency of the programs.

In addition to leading all of these oversight initiatives, he championed the OIG's efforts to detect and prevent scams and other threats to the financial safety of citizens and the stability of the financial system.

In all of his work as Inspector General, he accomplished the vital balance of being an independent reviewer and, at the same time, a team member committed to the Department's success. He set a high standard, and we are grateful for his leadership. His work was recognized by the Secretary's presentation to him of the Alexander Hamilton Award, the Department's highest honor.

A handwritten signature in black ink, reading "Richard K. Delmar".

Richard K. Delmar
Acting 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) and the Troubled Asset Relief Program (TARP), and keeps the Secretary of the Treasury and Congress fully informed of problems, deficiencies, and the need for corrective action. The Treasury Inspector General for Tax Administration (TIGTA) and the Government Accountability Office (GAO) perform oversight related to IRS. A Special Inspector General and GAO perform oversight related to TARP.

Treasury OIG also performs independent oversight of programs and operations funded by the Gulf Coast Restoration Trust Fund (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, and investigative offices in Greensboro, North Carolina, and Jacksonville, Florida.

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 three deputies. The first

deputy is primarily responsible for financial sector audits to include audits of banking supervision, manufacturing of currency and coins, resource management, and alcohol and tobacco excise tax revenue collection activities. 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, and audits of anti-money laundering/terrorist financing, foreign sanction, and audits of intelligence programs and operations. The third deputy is primarily responsible for cybersecurity, procurement, and financial assistance audits to include audits of Treasury and the Council information systems performed by Treasury OIG staff and contractors, audits of the SBLF program, and RESTORE Act programs and operations.

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 to investigate 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*¹ requests; (2) conducting ethics training; (3) ensuring compliance with financial disclosure requirements; (4) reviewing proposed legislation and regulations; (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.

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

Treasury Office of Inspector General Overview

Treasury OIG's fiscal year 2019 appropriation was \$37 million. Treasury OIG's oversight of the SBLF program is funded on a reimbursable basis. As of September 30, 2019, Treasury OIG had 149 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 his perspective 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 (OIG) [website](#).

Treasury

In an October 15, 2019, memorandum to Secretary of the Treasury Steven Mnuchin, Acting Inspector General Richard Delmar reported the following four challenges facing the Department that were repeated from the prior year.

- Operating in an Uncertain Environment
- Cyber Threats
- Anti-Money Laundering/ Terrorist Financing and Bank Secrecy Act Enforcement
- Efforts To Promote Spending Transparency and To Prevent and Detect Improper Payments

We also reported a new challenge related to IT acquisition and project management.

Gulf Coast Ecosystem Restoration Council

In an October 1, 2019, letter to the Honorable Andrew Wheeler, Administrator of the Environmental Protection Agency, as Chairperson of the Gulf Coast Ecosystem Restoration Council, we reported two management and performance challenges that were repeated from the prior year.

- Federal Statutory and Regulatory Compliance
- Grant and Interagency Agreement Compliance Monitoring

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Office of Audit – Significant Audits and Other Products

Domestic Assistance Programs

We conduct audits of Treasury’s domestic assistance programs. During this reporting period, we assessed ASI Federal Credit Union’s (ASI) use of awards made under the Community Development Financial Institutions (CDFI) Fund’s CDFI Program, which included Healthy Food Financing Initiative financial assistance (HFFI-FA) awards.

ASI Federal Credit Union’s CDFI Program Awards

ASI generally complied with the terms of its fiscal years (FY) 2006, 2007, and 2008 CDFI Fund Assistance Agreements for technical assistance awards. That is, \$296,626 of technical assistance awards were used for approved expenses. However, ASI management submitted invalid information in its December 2005 CDFI Certification Application and Assistance Applications for financial assistance (FA). ASI’s data did not support the target market contribution percentages in its applications. ASI management was required to direct at least 60 percent of its financial activities to at least one eligible targeted population. In addition, ASI management could not support the steps taken and rationale for classifying target market members as low-income. The CDFI Fund certified ASI as a CDFI in January 2006 based on this invalid information. ASI management continued to include invalid target market information in its FYs 2006 through 2009, 2011, and 2012 Assistance Applications and failed to report on the target market that was approved by the CDFI Fund in January 2006. Lastly, we identified \$2,147,670 of ASI’s \$5,000,000 HFFI-FA awards (or 57 percent) that was not deployed at all during the Performance Periods stated in ASI’s FY 2011 and FY 2012 Assistance Agreements. These are conditions under which the CDFI Fund may find ASI in default. In all, we questioned nearly \$12,298,806 of ASI’s FA awards, comprised of \$7,298,806 in FA awards and \$5,000,000 in HFFI-FA awards, received in FY 2006 through FY 2009, FY 2011, and FY 2012.

We recommended that the Director of the CDFI Fund: (1) determine whether ASI was in default of its FYs 2006 through 2009, 2011, and 2012 Assistance Agreements as a result of submitting invalid information in its Certification Application and Assistance Agreements Applications for FYs 2006 through 2009, 2011, and 2012 and for its failure to deploy all HFFI-FA awards; and as such, take appropriate action which may include requiring ASI to reimburse the

CDFI Fund all FA and HFFI-FA awards, and suspending or revoking ASI's CDFI certification; and (2) re-evaluate ASI's FY 2013 Certification Application and FY 2013 Assistance Application to determine if the information submitted was valid and complete and if ASI met all eligibility requirements to be re-certified as a CDFI and to receive its \$1,347,000 FA award. CDFI Fund management concurred with both recommendations. **(OIG-19-038) \$12,298,806 Questioned Costs**

Recovery Act

The American Recovery and Reinvestment Act of 2009 (Recovery Act) authorized Treasury's Payments to States for Low-Income Housing Projects in Lieu of Low-Income Housing Tax Credits (1602 Program). As part of our ongoing oversight of the 1602 Program, we conducted audits of awards made to selected State housing credit agencies. The objective of these audits is to assess whether the agencies awarded funds under Treasury's 1602 Program comply with the program's overall requirements and the "Grantee Terms and Conditions" (together referred to as 1602 Program requirements). In this semiannual reporting period, we provided our assessments of 1602 Program awards made to Michigan and Georgia.

Michigan State Housing Development Authority's Payment Under 1602 Program

The Michigan State Housing Development Authority (MSHDA) substantially met the eligibility and compliance requirements set forth in both Section 42 of the Internal Revenue Code (IRC) and Section 1602 of the Recovery Act for receiving its \$285.9 million of 1602 Program funds. However, MSHDA did not meet all 1602 Program requirements for subawarding those funds to low-income housing projects. Specifically, MSHDA earned \$355 more in interest than the \$200 allowed by 1602 Program requirements. Interest earned annually in excess of \$200 that is not applied to project disbursements must be returned to Treasury. Furthermore, MSHDA was unable to support the costs of performing initial asset management and as a result, could not verify that approximately \$5,689,077 of initial asset management fees collected from all 68 1602 Program subawardees did not exceed the cost of performing the function. As such, we questioned the \$355 of interest earned and all \$5,689,077 of MSHDA's initial asset management fees.

We recommended that the Fiscal Assistant Secretary ensure that (1) MSHDA reimburses Treasury \$355 of interest earned in excess of \$200 allowed by 1602 Program requirements; and (2) appropriate action is taken under Section 11 of the “Grantee Terms and Conditions” regarding MSHDA’s unsupported costs of \$5,689,077 associated with its initial asset management fees, to include seeking reimbursement of any excess 1602 Program payments. We also emphasized the need for continued diligence on the part of Treasury and MSHDA to ensure compliance with 1602 Program requirements over the remaining 15-year compliance period. Treasury management’s response met the intent of our recommendations. **(OIG-19-035) \$5,689,432 Questioned Costs**

Georgia Department of Community Affairs’ Payment Under 1602 Program

Georgia Department of Community Affairs (DCA) substantially met the eligibility and compliance requirements set forth in both Section 42 of the IRC and Section 1602 of the Recovery Act for receiving its \$195.6 million of 1602 Program funds. However, DCA did not meet all 1602 Program requirements for subawarding those funds to low-income housing projects. Specifically, DCA reimbursed 14 subawardees a total of \$170,500 for legal fees that were unallowable under 1602 Program requirements. In addition, excess payments totaling \$208,447 were made as a result of two subawardees including ineligible costs per Section 42 of the IRC in the eligible bases of their low income housing projects. Of the \$208,447 in excess 1602 Program payments, DCA agreed to having made excess payments totaling \$97,474 and returned funds to Treasury. Overall, we questioned a total of \$281,473 of 1602 Program payments.

We recommended that the Fiscal Assistant Secretary ensure that DCA (1) provides sufficient support of other eligible costs used to offset the \$170,500 of excess 1602 Program payments made to 14 subawardees for unallowable legal fees. For any costs that cannot be sufficiently supported, ensure that DCA reimburses Treasury; (2) reimburses Treasury the \$55,817 of excess 1602 Program payments made to West Haven Senior Apartments as a result of including ineligible costs in the project’s cost basis; (3) reimburses Treasury the \$55,156 of excess 1602 Program payments made to The Terrace of Edinburgh as a result of including ineligible costs in the project’s cost basis; and (4) provides support, going forward, for its actual costs to perform asset management functions over the remaining 15-year compliance period to ensure

that fees collected from subawardees do not exceed actual costs. Treasury management’s response met the intent of our recommendations. **(OIG-19-039)**
\$281,473 Questioned Costs

DATA Act

Treasury and the Office of Management and Budget (OMB) are leading the Government-wide implementation of the Digital Accountability and Transparency Act of 2014 (DATA Act). As part of our ongoing oversight of the DATA Act implementation, we are conducting a series of audits reviewing Treasury’s efforts to meet its responsibilities under the DATA Act. The following report was issued during this semiannual period.

Treasury’s Efforts to Increase Transparency Into Federal Spending Continue, But Further Refinement is Needed

The Center for Organizational Excellence, Inc. (COE) and CohnReznick LLP (CohnReznick), an independent certified public accounting firm working under a contract with and monitored by our office, assessed the effectiveness of internal controls that the Bureau of the Fiscal Service (Fiscal Service) DATA Act Program Management Office (PMO) designed, implemented, and placed into operation to help ensure the security, processing integrity, and quality of the data extracted from the DATA Act Broker for display on USASpending.gov.

COE and CohnReznick noted that the DATA Act PMO made great progress toward achieving the DATA Act’s objectives and found the implementation and deployment of the DATA Act Information Model Schema (DAIMS), DATA Act Broker, and USASpending.gov consistent with requirements of the DATA Act. However, they identified risks that, if not mitigated, threaten Treasury’s leadership of and hinder its efforts to increase transparency into Federal spending. Specifically, COE and CohnReznick noted issues with the DATA Act PMO’s process and resource planning documentation and insufficient documentation of validation rules. COE and CohnReznick also noted that DAIMS specifications did not fully align with validation rules and full disclosures of known data limitations were not present on USASpending.gov. In addition, data elements from external sources were not fully documented through DAIMS specifications and the completeness of Treasury’s cloud computing environment security features had not been evaluated.

Accordingly, COE and CohnReznick recommended that Treasury’s Fiscal Assistant Secretary (1) enhance and complete existing standard operating procedures; (2) update DATA Act PMO resource documentation to give prompt attention to staffing and succession planning for DATA Act implementation efforts; (3) develop an internal reference document for the DATA Act PMO development team that explains validation rules; (4) incorporate sub-rules that already appear in the DATA Act Broker output and an explanation of potential formatting violations (with appropriate error designations) into the most updated versions of the DAIMS Validation Rules and Financial Assistance Broker Submission Validation Checklist; (5) either develop an instruction guide to interpret DATA Act Broker output or incorporate mechanisms in the output itself to aid user interpretation when multiple fields are impacted by the same rule; (6) test and document validation rules; (7) develop procedures to ensure changes to rules implemented during coding are subsequently captured in official DAIMS documentation; (8) enhance generic disclaimers on USApending.gov and expand the use of limitation statements; (9) either expand current documentation or create a complementary document that includes all elements used for validation, derivation, and display purposes; (10) incorporate a review of available complementary security controls into the existing review process for its cloud computing environment; (11) perform independent assessments to verify whether controls outside the standard package of controls could be adopted to mitigate the risk that security violations will occur; and (12) develop and implement a process to obtain and review notifications of changes to the control environment, including new controls available. Treasury management accepted the findings and recommendations. **(OIG-19-040)**

RESTORE Act

As part of our ongoing oversight of Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act) programs, we are assessing Treasury’s and the Gulf Coast Ecosystem Restoration Council’s (Council) activities funded by the act. We issued the following two reports this semiannual period.

Subsea Systems Institute Center of Excellence’s Use of RESTORE Act Funds

We assessed Subsea Systems Institute’s (SSI) use of RESTORE Act funds for compliance with applicable Federal statutes, regulations, and its Center of Excellence subaward agreement with the Texas Commission on Environmental Quality (TCEQ). While we found no matters in SSI’s use of RESTORE Act funds, we noted a deficiency in SSI’s certification of the Effort Form Status (effort report). Specifically, SSI reviewed and certified effort reports beyond the 180 day deadline established by the University of Houston’s guidelines. The University of Houston provides accounting and payroll services to SSI.

Accordingly, we recommended that the Fiscal Assistant Secretary consider the deficiencies identified in SSI’s effort reporting as part of its oversight of TCEQ’s current and future subawards to SSI, as required by the “Uniform Guidance Requirements, Cost Principles, and Audit Requirements for Federal Awards” (Uniform Guidance). Treasury management stated that they will consider the effort reporting deficiencies identified as part of its oversight of TCEQ’s current and future subawards to SSI, as required by the Uniform Guidance. Treasury management’s response met the intent of our recommendation. **(OIG-19-045)**

Treasury’s Review of Multiyear Implementation Plans for Direct Component Funding

Treasury’s process to review Multiyear Implementation Plans was designed to ensure that only eligible activities were included and that the plans complied with all Federal requirements prior to acceptance. That is, the plans complied with requirements of the RESTORE Act, the “Department of the Treasury Regulations for the Gulf Coast Restoration Trust Fund Final Rule”, and policies and procedures contained in Treasury’s “RESTORE Act Direct Component Guidance and Application to Receive Federal Financial Assistance”, as well as guidance provided in the “RESTORE Act Frequently Asked Questions Relating to the Direct Component Program”, “RESTORE Act Program Awards Policy”, and “RESTORE Act Direct Component Multiyear Plan and Application Review Procedures”. Accordingly, we made no recommendations. **(OIG-19-036)**

Anti-Money Laundering/Terrorist Financing and Intelligence

We conduct audits of Treasury’s anti-money laundering and terrorist financing programs. We issued the following report during this semiannual period.

FinCEN’s Section 311 Process

We reviewed the Financial Crimes Enforcement Network’s (FinCEN) mechanisms to impose and rescind special measures in accordance with Title III, Section 311, of the USA PATRIOT Act (Section 311) to determine if FinCEN complied with laws, regulations, and standard operating procedures to impose and rescind special measures for foreign jurisdictions, foreign financial institutions, international transactions, or types of accounts of a primary money laundering concern. We found that FinCEN implemented Section 311 actions consistent with statutory requirements. We reviewed the three most recent Section 311 actions taken prior to September 2016 and determined that FinCEN took appropriate steps in accordance with its policies and procedures when it determined an entity was of primary money laundering concern. We did not make any recommendations to FinCEN. **(OIG-19-044)**

Financial Management

IPERA

As required by the Improper Payments Elimination and Recovery Act of 2010 (IPERA), we reported on Treasury’s and the Council’s overall compliance with IPERA for FY 2018. We also assessed compliance with additional improper payment reporting requirements set forth in Executive Order (EO) 13520, “Reducing Improper Payments and Eliminating Waste in Federal Programs,” and the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA).

Treasury Was Not in Compliance With IPERA for Fiscal Year 2018

For the eighth consecutive year, we concluded that Treasury was not in compliance with IPERA due to the Internal Revenue Service’s (IRS) Earned Income Tax Credit (EITC) program deficiency reported by the Treasury Inspector General for Tax Administration (TIGTA). Specifically, IRS has not reported an overall improper payment rate of less than 10 percent for EITC as required by IPERA. We did find, however, that Treasury complied with other IPERA

requirements as well as those contained in EO 13520 and IPERIA. Our audit identified the need for Treasury to improve its risk assessment process and to ensure that the Bureau of Engraving and Printing and other Treasury components submit complete payment recapture audit information.

Our report also summarized the results of TIGTA's assessment of the IRS's compliance with improper payment reporting requirements in FY 2018. TIGTA determined that IRS continues to incorrectly rate the improper payment risk associated with the Additional Child Tax Credit (ACTC), American Opportunity Tax Credit (AOTC), and Premium Tax Credit (PTC), which resulted in a significant understatement of improper payments. IRS's ACTC, AOTC, and PTC were also erroneously identified as medium risk programs instead of as high risk programs. The incorrect rating resulted in the exclusion of required reporting by IRS in the Agency Financial Report. TIGTA identified over 2.2 million tax returns, which were not selected for review by the IRS, with an income discrepancy of \$1,000 or greater between the amount reported on the tax returns and the amount reported on forms W-2. These taxpayers received over \$10.1 billion in credits, which included \$6 billion in EITCs and over \$1.9 billion in ACTC. However, due to limited resources, the IRS did not address the majority of potentially erroneous EITC claims despite having established processes that identify billions of dollars in potentially erroneous EITC payments.

We recommended the Assistant Secretary for Management ensures that (1) Treasury updates its Qualitative Risk Assessment Questionnaire to provide a reasonable basis for its risk ratings; (2) Treasury revises the agency's IPERA implementation guide to require components to submit appropriate and sufficient supporting documentation for their risk assessment results; and (3) the Bureau of Engraving and Printing and other Treasury components submit complete payment recapture audit information to the Risk and Control Group as required by IPERA guidance. **(OIG-19-037)**

Gulf Coast Ecosystem Restoration Council Did Not Administer Programs and Activities Susceptible to Significant Improper Payments

Based on the results of the Council's FY 2018 financial statement audit, we determined that the Council did not have programs and activities susceptible to significant improper payments in FY 2018. That is, total program and activity expenditures were less than the threshold of reporting requirements for

“significant improper payments” specified in Appendix C to OMB Circular No. A-123, “Requirements for Payment Integrity Improvement” (OMB M-18-20).² Additionally, the Council did not have any OMB-designated high priority programs or other risk susceptible programs. Furthermore, although expenditures exceeded \$10 million, the total estimate for improper payments was less than 1.5 percent. The Council’s financial services provider, Fiscal Service, performed a payment recapture audit on behalf of the Council and identified 3 out of 874 payments as overpayments, for a rate of 0.22 percent and a total dollar value of improper payments of \$6,844. The Council recaptured the full amount with no outstanding erroneous or improper payments at the end of the fiscal year. In addition, we determined that the Council was compliant with all of the applicable requirements set forth in PART-IV A. 3 of OMB M-18-20. **(OIG-CA-19-017)**

Attestation Engagements

Independent certified public accounting firms, RMA Associates, LLC (RMA) and KPMG LLP (KPMG), under contracts monitored by our office, completed the reports described below in support of the audit of Treasury’s FY 2019 consolidated financial statements and the financial statement audits of certain other Federal agencies.

Reports on the Processing of Transactions by Treasury Enterprise Business Solutions

RMA examined Treasury Enterprise Business Solutions’ description of controls for processing user entities’ human resource transactions in its HRConnect system; and the suitability of the design and effectiveness of these controls for the period beginning August 1, 2018, and ending June 30, 2019. RMA found, in all material respects, the controls were fairly presented in the description of controls for this system, suitably designed, and controls tested operated effectively throughout the period. **(OIG-19-042)**

² "Significant improper payments" are defined as gross annual improper payments (i.e., the total amount of overpayments and underpayments) in the program exceeding (1) both 1.5 percent of program outlays and \$10 million of all program or activity payments made during the fiscal year reported or (2) \$100 million (regardless of the improper payment percentage of total program outlays).

Reports on the Processing of Transactions by Fiscal Service

KPMG examined the accounting and procurement processing and general computer controls related to financial management services provided to various Federal agencies by Fiscal Service’s Administrative Resource Center for the period beginning July 1, 2018, and ending June 30, 2019. 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-19-043)**

KPMG also examined general computer and investment/redemption processing controls used for processing various Federal agencies’ transactions by Fiscal Service’s Federal Investments and Borrowings Branch, and general computer and trust funds management processing controls used for processing various Federal and State agencies’ transactions by the Fiscal Service’s Funds Management Branch for the period beginning August 1, 2018, and ending July 31, 2019. 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-19-046, OIG-19-047)**

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 FY 2018 consolidated financial statements.

Condition	Type of noncompliance
Treasury continues to have deficiencies in IRS financial management systems. Specifically, Treasury did not consistently design, implement, and operate information system controls and security programs over its financial systems in accordance with the Federal financial management system requirements. (first reported in FY 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 and Federal debt systems in accordance with the Federal financial management system requirements. (new reporting in FY 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 FY 2019 consolidated financial statements.

Other Audits of Treasury Programs and Operations

Interim Audit Update—Matters for Consideration Prior to Fiscal Service’s Selection of the Direct Express® Debit Card Program Financial Agent

We are reviewing corrective actions taken by Fiscal Service related to recommendations made in previous Treasury OIG reports issued in 2014 and 2017 related to its financial agency agreement (FAA) with Comerica Bank to operate the Direct Express® Debit Card program (Direct Express). Based on our audit work to date and due to the importance of Direct Express and the needs of its customers, we shared our initial findings and recommendations prior to completion of all audit work. We believed interim reporting was important for Fiscal Service’s consideration prior to the selection of the next financial agent.

According to its financial agent selection process guidance, Fiscal Service negotiates policies and procedures for overseeing a financial agent after the financial agent has been selected and prior to signing the FAA. Given the importance of customer service and based on our review of the (1) sample FAA compared to the current FAA and (2) finalists’ proposals, we made four recommendations to improve Fiscal Service’s financial agent selection process.

We recommended that the Commissioner of Fiscal Service (1) revise the Service Level Requirements calculations related to incentives or disincentives, which will be negotiated between Fiscal Service and the selected financial agent prior to signing the FAA. The minimum target performance and/or weighting of the Service Level Requirements should ensure that the financial agent and its subcontractors are incentivized to provide excellent service in all areas, including chargeback and dispute processing and customer service representative response times; (2) periodically request access to the Regulation E compliance reviews related to Direct Express conducted by the banking regulators under the provisions outlined in 12 CFR 261 or other relevant provisions related to the regulator. This information should be used to monitor the financial agent’s compliance with the FAA and Service Level Requirements or to improve Direct Express; (3) coordinate with the financial agent to develop periodic reports that comply with Right to Financial Privacy Act and provide useful information on potential violations of federal criminal laws, including internal and external fraud relating to Direct Express; and (4) revise FAA provision 10, “Reviews and Audit” to state “...the Federal Government will not be entitled to obtain or examine any

records related to individual debit cards, except as allowed by law.” Fiscal Service management’s response met the intent of our recommendations. **(OIG-19-041)**

Review of the Office of Financial Research’s Contracting Practices

We assessed the Office of Financial Research’s (OFR) contracting practices and procurement activity between December 2011 and June 2015. This was the final of two reports on OFR’s procurement activities. We found that OFR effectively and efficiently acquired goods and services to accomplish its mission and those acquisitions were made in compliance with applicable procurement regulations. We did not make any recommendations to OFR; however, in light of OFR’s recent workforce restructuring efforts, we encouraged the Acting Director to ensure the files of OFR Contracting Officer’s Representatives (COR) are maintained and accessible in the event of any changes in COR responsibilities. **(OIG-19-034)**

Council of Inspectors General on Financial Oversight Audit of the Financial Stability Oversight Council

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank) created the Council of Inspectors General on Financial Oversight (CIGFO), whose members include the Inspectors General with oversight authority for the majority of the Financial Stability Oversight Council (FSOC) member agencies. Treasury OIG’s Acting Inspector General is the Chair of CIGFO. Dodd-Frank authorizes CIGFO to convene a Working Group of its members to evaluate the effectiveness and internal operations of FSOC.

Financial Stability Oversight Council’s Monitoring of International Financial Regulatory Proposals and Developments

In December 2017, CIGFO convened a Working Group to conduct an audit to assess FSOC’s monitoring of international financial regulatory proposals and developments for the period of January 2016 to January 2018. The Working Group was led by our Office of Audit. The Working Group determined that FSOC has a process for monitoring international financial regulatory proposals and developments. FSOC’s monitoring was evidenced by the discussion of international topics at FSOC principals meetings, information sharing at FSOC

committee-level meetings, and the development and publishing of its annual report. All FSOC members or member representatives who offered an opinion described FSOC's process to monitor international financial regulatory proposals and developments as adequate. Although they described FSOC's monitoring process as adequate, several members, and/or representatives offered suggestions for enhancing the process. The Working Group encouraged FSOC to consider incorporating into its process the suggestions made by its members to the extent the suggestions are consistent with FSOC's focus on identifying and addressing threats to the stability of U.S. financial system. The Working Group did not make any recommendations to FSOC. **(CIGFO-2019-01)**

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Office of Investigations – Significant Investigations

Subject Pleads Guilty to Recovery Act Wire Fraud

Our investigation revealed the owner of a solar energy company submitted five American Recovery and Reinvestment Act (Recovery Act) Section 1603 Program Payments for Specified Energy Property in Lieu of Tax Credits, (1603 Program) grant applications for solar projects resulting in funding of \$3.1 million. National Renewable Energy Laboratory documents indicate each application contained a commissioning report attesting the five solar projects were placed in service. Open source searches of aerial and street view images of the non-residential properties revealed no apparent roof mounted or in-ground solar panels on the properties listed on the National Renewable Energy Laboratory applications. The U.S. Attorney’s Office (USAO), District of New Jersey, accepted the investigation for prosecution. The subject pled guilty to Wire Fraud and was ordered to pay \$3.1 million in restitution. Judicial action is pending.

Energy Company and Two Principals Agree to Civil Settlement of \$2.6 Million for Recovery Act Overpayment

Our joint investigation with the U.S. Department of Agriculture’s, Rural Utilities Service, determined an energy company improperly received an overpayment of \$3.2 million in 1603 Program payments, for construction of an open loop biomass facility in Gypsum, Colorado. The company recorded a non-existent \$11 million development fee in an eligible cost report submitted to the Department of the Treasury (Treasury or the Department). The company later reversed the development fee records, resulting in a \$3 million overpayment. The energy company entered into an agreement with the U.S. Department of Justice (DOJ), on behalf of Treasury, and agreed to pay a civil settlement of \$2.35 million. Additionally, two principals of the company agreed to pay civil settlements of \$125,000 each. The agreements were negotiated by the USAO, District of Colorado.

Former President, CEO, and Chairman of the Board Indicted for Bank Fraud and Misapplication of Funds by a Bank Officer

Our joint investigation with the Federal Deposit Insurance Corporation, Office of Inspector General (OIG) determined that the former president, chief executive officer, and chairman of the board, of a Treasury-regulated financial institution, fraudulently expended to the bank \$1.6 million for himself and for his family and friends. The

investigation identified expenses for non-bank related trips to nine U.S. states, St. Maarten, Grand Cayman Island, and Tanzania. In addition, the investigation identified personal travel expenses for frequent first class airline travel, lodging at luxury hotels and resorts, and bank-expensed personal entertainment, including three safaris in Tanzania. The subject charged expenses to his bank-issued and personal accounts, and falsely stated the expenses were part of the bank's fringe benefits. The subject directed bank employees to pay expenses using bank funds, and caused employees to make false and fraudulent entries in the bank's books and records. The subject was charged with Bank Fraud and Misapplication of Funds by a Bank Officer in U.S. District Court, Eastern District of Wisconsin. Judicial action is pending.

Former Bank Officer Indicted for Embezzlement

Our investigation revealed a former bank officer embezzled \$250,000 from an elderly couple. The couple met with a bank representative and opened four Certificates of Deposit (CD) totaling \$250,000. After the account holder passed away, the surviving spouse went to the bank to withdraw funds and discovered the funds were not deposited into CDs, but in four checking accounts. The accounts had low balances, as the bulk of the principle was withdrawn and transferred via cashier checks to an account at another Treasury-regulated financial institution. We were contacted by the Fairfax County Police Department, Virginia, Financial Crimes Section. A criminal charge obtained via criminal complaint was dismissed in lieu of an indictment for Embezzlement. The subject is a fugitive. This case is being prosecuted in U. S. District Court, Eastern District of Virginia.

Subject Pleads Guilty to Fraudulent Receipt of Disaster Relief Benefits

Our joint investigation with the Department of Homeland Security OIG determined a subject received Federal Emergency Management Agency funds from the National Flood Insurance Program after submitting materially false and fraudulent statements regarding ownership of property damaged during a natural disaster. The subject filed a claim for \$88,000 on property no longer owned. The subject was indicted and pled guilty to Theft of Government Funds, Making a False Writing and Document, and Fraud Connected to Major Disaster Declaration Emergency Benefits. This case is being prosecuted in U.S. District Court, Middle District of Louisiana. Judicial action is pending.

Subject Arrested for Depositing Stolen Treasury Checks

Our joint investigation with the Treasury Inspector General for Tax Administration (TIGTA) and the Federal Bureau of Investigation (FBI) determined a subject deposited stolen Treasury checks totaling \$208,000 into a Treasury-regulated financial institution business account. Research identified additional transactions at another Treasury-regulated financial institution, potentially doubling the fraud total. The subject was arrested in the Middle District of Florida, Orlando Division for Theft of Public Money and Aggravated Identity Theft. Judicial action is pending.

Subject Sentenced for Defrauding the U.S. Government

Our joint investigation with TIGTA revealed that a subject stole, altered, and negotiated a victim's \$342,000 Treasury check at a Treasury-regulated financial institution in Ft. Lauderdale, Florida. The subject deposited the check in an account using the victim's name and wired \$210,000 of the \$342,000 to another bank account. Both accounts were opened under a fictitious business name. The subject pled guilty to Theft of Government Money in Federal Court, Southern District of Florida, and was sentenced to 36 months in prison (time served), 12 months of probation, and ordered to pay \$342,000 in restitution for Defrauding the U.S. Government by altering Treasury checks. The investigation also revealed that the subject was previously arrested and sentenced to 30 months in prison on an unrelated financial crime offense. A co-conspirator was indicted by a Grand Jury and deported to Haiti on unrelated immigration issues. No further judicial action will be taken in this case.

Subject Indicted for Theft of Deceased Parent's Social Security Benefits

Our joint investigation with the Social Security Administration (SSA) OIG determined a subject misused her deceased mother's social security benefits. The benefits continued after the mother was deceased as an electronic deposit into a Treasury-regulated financial institution, from which the subject used \$54,000 on personal expenses. The subject was indicted for Theft of Government Property and is being prosecuted in U.S. District Court, Western District of North Carolina. Judicial action is pending.

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

Subject Convicted for False Claims against the U.S. and Fictitious Obligations

As reported in a previous semiannual period, our joint investigation with Internal Revenue Service, Criminal Investigations (IRS-CI) revealed a repeat offender involved in a sovereign citizen scheme who produced fictitious obligations purportedly drawn on Treasury. The subject opened a bank account and attempted to deposit a fictitious "Indemnity Bond" purported to be a valid instrument issued by Treasury for \$300 million. In addition, the subject made a fraudulent claim to the IRS for a tax refund payment of \$252,000. The subject was indicted in U.S. District Court, Eastern District of Tennessee.

Update: The subject was convicted by a jury for False Claims against the U.S. and Fictitious Obligations. Judicial action is pending.

Subjects Sentenced and One Subject Pleads Guilty to Conspiracy and Identity Theft

As reported in previous semiannual periods, our joint investigation with the IRS-CI and U.S. Postal Inspection Service (USPIS) revealed that multiple subjects conspired to Defraud the Federal Government by producing at least 12,000 fraudulent Federal income tax returns using stolen identities, and negotiating the resulting tax refund payments, totaling at least \$40 million for personal gain.

Update: Four subjects were sentenced to 94 months in prison, 120 months of probation, \$400 in special assessments, ordered to pay \$2.1 million in restitution, and forfeited \$674,000. An additional subject pled guilty to Aggravated Identity Theft and Theft. To date, the joint investigation has spanned 5 years and resulted in 49 arrests, including the arrest of employees of money services businesses (MSB), Treasury-regulated financial institutions, and the U.S. Postal Service (USPS). The arrests to date have resulted in 43 guilty pleas; 3 subjects were found guilty by jury trial. There have been 37 subjects sentenced to nearly 1,159 months in prison, 1,300 months of probation, and ordered to pay nearly \$26 million in restitution to Treasury. The case is being prosecuted by the USAOs in the District of Columbia; the District of Maryland, Greenbelt Office; and by the DOJ Tax Division. Judicial action is pending.

Subject Sentenced for Bank Fraud and Bankruptcy Fraud

As reported in the previous semiannual period, our joint investigation with the Small Business Administration OIG substantiated allegations of Bank Fraud and Bankruptcy Fraud. The case was referred to the USAO, Northern District of Oklahoma by the Office of the U.S. Trustee. The bank alleged that the subject and his company committed Loan and Bankruptcy Fraud in the amount of \$5 million. The subject pled guilty to Bank Fraud and Bankruptcy Fraud, and agreed to pay \$4.8 million in restitution.

Update: The subject was sentenced to 33 months in prison, 60 months of probation, and ordered to pay \$4.8 million in restitution.

Subject Sentenced for Access Device Fraud Using Stolen Credit Cards

As reported in previous semiannual periods, our investigation of an organized criminal group using stolen credit cards issued by Treasury-regulated financial institutions to purchase \$400,000 in gift cards from stores, identified five subjects for prosecution. One subject pled guilty in U.S. District Court, District of Maryland, to Access Device Fraud for using stolen credit cards to purchase gift cards.

Update: One subject, a former grocery store employee, was sentenced to 24 months of probation, a \$100 special assessment, and ordered to pay \$12,000 in restitution. To date, two additional subjects have been indicted. Judicial action is pending.

Former Treasury Contractor Sentenced for Possession of Child Pornography

As reported in the previous semiannual period, our joint investigation with the Homeland Security Investigations (HSI) Child Exploitation Group was initiated when an internet protocol address (IP address) associated with child pornography material led to a former Treasury contractor. During an interview with HSI, the subject stated he was a contractor for Treasury. Treasury confirmed the subject was employed at Treasury's Departmental Offices and that the contractor was responsible for supporting and assisting customers with information technology needs. The investigation revealed a collection of child pornography material that was located on the subject's personal computer that he maintained at his residence. The subject was indicted on Receipt and Possession of Child Pornography and arrested on Possession of Child Pornography charges.

Update: The former Treasury contractor pled guilty, in the U.S. District Court, Eastern District of Virginia, to Receipt of Child Pornography, and was sentenced to 72 months in prison and ordered to pay \$5,000 in restitution.

Subject Pleads Guilty to Aggravated Identity Theft and Wire Fraud after Takeover of a Thrift Savings Plan

As reported in the previous semiannual period, our joint investigation with the FBI and the Alexandria Police Department, Alexandria, Virginia, disclosed that a subject took over a victim's Thrift Savings Plan (TSP) account. The subject gained access to the victim's account by answering basic security questions and changing the password online. The subject filed a fraudulent TSP loan application for \$45,000 and deposited the funds into a bank account fraudulently opened in the victim's name. The subject also obtained a fraudulent Virginia driver's license using the victim's information. The subject was identified on automated teller machine surveillance videos withdrawing money from the fraudulent account, and was arrested for Wire Fraud.

Update: The subject was charged by Criminal Information and pled guilty to Aggravated Identity Theft and Wire Fraud in U.S. District Court, Eastern District of Virginia. The subject was sentenced to 48 months in prison, 48 months of probation, a \$200 special assessment, and ordered to pay \$29,000 in restitution.

Two Subjects Plead Guilty to Aggravated Identity Theft and Making a Materially False Statement to a Bank

As reported in previous semiannual periods, our joint investigation with the North Carolina Treasury Financial Crimes Task Force and the Durham Police Department, North Carolina, determined a subject, who was on probation, targeted female victims through internet dating websites and social media. The subject obtained personal bank account information by convincing the victims to provide access, changed the victims' passwords, and ordered checks. Checks obtained by the subject from a victim's account were deposited in another victim's account. The subject withdrew funds before the Treasury-regulated bank detected the scheme. This case was prosecuted by the USAO, Middle District of North Carolina. The subject was arrested for Making a Materially False Statement to a Bank and Aggravated Identity Theft. The subject pled guilty and was sentenced to 45 months in prison, 60 months of probation, a \$200 special assessment, and ordered to pay \$19,000 in restitution. Two additional

subjects were indicted and arrested for Aggravated Identity Theft and Making a Materially False Statement to a Bank.

Update: Two final subjects pled guilty to Making False Statements and Aggravated Identity Theft. One subject was sentenced to 2 months in prison, 60 months of probation, a special assessment of \$100 and ordered to pay \$20,000 in restitution. The final subject was sentenced to 24 months of probation, and ordered to pay \$20,000 in restitution.

Former Bureau of Engraving and Printing Employee Sentenced for Wire Fraud

As reported in previous semiannual periods, a former senior Bureau of Engraving and Printing employee, in a sensitive high-risk position, stole over \$16,000 from an employee-funded organization's account, making at least seven personal withdrawals. The subject made statements to other employees that additional dues were owed by members to cover the debts of the organization and used the withdrawals to partially pay on debt the subject owed to the IRS. The subject was indicted in the U.S. District Court, District of Maryland, Baltimore Office on charges related to Wire Fraud.

Update: The subject was sentenced to 8 months home confinement, 60 months of probation, a special assessment of \$100, and ordered to pay \$17,000 in restitution.

Veterinarian Sentenced for False Statements and Identity Theft

As reported in previous semiannual periods, our joint investigation with the North Carolina Treasury Financial Crimes Task Force and the Durham Police Department, North Carolina, determined a veterinarian fraudulently used customers' credit cards through merchant chargebacks with an on-site credit card processor and credit applications to establish fraudulent credit lines at Treasury-regulated financial institutions. The subject was indicted for violations of Access Device Fraud, Aggravated Identity Theft, Bank Fraud, Wire Fraud, and Prescription Fraud by the USAO, Middle District of North Carolina. The subject pled guilty to False Statements and Identity Theft.

Update: The subject was sentenced to 4 months in prison, 24 months of probation, assessed a criminal fine of \$13,000, a special assessment of \$200, and ordered to pay \$20,000 in restitution. Additionally, restrictions were placed on the subject's

State and Federal Veterinarian licenses and the subject was ordered to register with the Drug Enforcement Agency.

Subjects Plead Guilty to Conspiracy to Defraud the Government with Respect to Claims and Aggravated Identity Theft

As reported in previous semiannual periods, our joint investigation with the IRS-CI, determined that a subject in Pennsylvania was involved in a fraud scheme to illicitly procure and negotiate Treasury checks. The subject, who owns two MSBs, was linked to approximately \$10 million in potential fraud related to stolen Treasury checks, and a Stolen Identity Refund Fraud scheme. The subject pled guilty to Conspiracy to Defraud the Government in U.S. District Court, Middle District of Pennsylvania, and forfeited \$2 million. Investigative efforts were continued to locate and arrest the remaining co-conspirators. The three additional subjects were arrested for Theft, Aggravated Identity Theft, and Conspiracy to Defraud the Government.

Update: Two subjects pled guilty to Conspiracy to Defraud the Government with Respect to Claims and Aggravated Identity Theft in U.S. District Court, Middle District of Pennsylvania. Judicial action is pending. Prosecution has been declined for the third subject.

Four Subjects Sentenced for Operating Unlicensed MSB

As reported in previous semiannual periods, our joint investigation with the FBI determined a transnational organized crime network conducted a multi-million dollar fraud and money laundering operation that resulted in the theft of over \$13 million from more than 170 victims. As a result of fraudulent transactions identified by this investigation, additional thefts of over \$56 million in victim funds were prevented, disrupted, or returned. The operation involved online vehicle sales fraud, business email compromise schemes, and an unlicensed money transmitting and international money laundering network, “hawala”. These fraud schemes tricked both individuals and corporations into wiring millions of dollars to bank accounts under the control of the crime network. This network operated in the United States, Europe, and Israel. Nineteen subjects were indicted by a Federal Grand Jury in U.S. District Court, District of Columbia, and subsequently arrested in New York, New York; Los Angeles, California; and Israel, Hungary, Bulgaria, Germany, and Romania. The subjects were charged with various violations that include: Bank Fraud, Conspiracy to Commit Bank and Mail Fraud, Conspiracy to Commit Money Laundering, Conspiracy to Commit Wire Fraud, and Conspiracy to Operate an Unlicensed Money Transmitting Business. One

subject, a Russian-Israeli dual citizen, pled guilty to Conspiracy to Commit Money Laundering and was sentenced to 18 months in prison, ordered to pay \$50,000 in restitution, and ordered to be deported.

Update: To date, the joint investigation has resulted in 40 arrests related to charges of money laundering, wire fraud, and operating unlicensed MSBs. The arrests have resulted in 15 guilty pleas. Fourteen (14) subjects have been sentenced to 45 months in prison, 54 months of probation, and ordered to pay \$22.3 million in restitution to Treasury. The case is being prosecuted by the USAO in the District of Columbia. Further judicial action is pending.

Subject Sentenced for Stealing and Negotiating Altered Treasury Checks

As reported in a previous semiannual period, our joint investigation with the USPIS, SSA OIG, and the USPS OIG determined that over 580 Treasury checks were stolen, altered, and negotiated in and around the metropolitan Chicago, Illinois area by an organized criminal group. The actual value of the stolen Treasury checks was over \$605,000, but the altered value of the checks was over \$2.6 million. A USPS mail carrier was identified and admitted to stealing the checks. The mail carrier identified a second subject. Both subjects were arrested and charged in U.S. District Court, Northern Illinois with Dealing in Counterfeit Obligations. A third subject was arrested and charged in U.S. District Court, Northern Illinois with Bank Fraud. Additional arrests were anticipated.

Update: One subject pled guilty to Dealing in Counterfeit Obligations or Securities in U.S. District Court, Northern District of Illinois. The subject was sentenced to 26 months in prison, 36 months of probation, a \$100 special assessment, and ordered to pay \$16,000 in restitution. A second subject pled guilty to Bank Fraud. Two additional subjects were arrested for Stealing and Negotiating Altered U.S. Treasury Checks. Judicial action is pending.

Subjects Arrested for Counterfeit/Altered Treasury Checks

As reported in the previous semiannual period, our joint investigation with the USPIS identified numerous counterfeit checks negotiated in Newark, New Jersey, and in the Washington, DC area. The checks used the Treasury routing number, listed the remitter as "Kansas City, MO", and had the appearance of being insurance payouts. Research through the Bureau of the Fiscal Service identified approximately \$250,000 of the checks as counterfeit or altered. One subject had been identified, and

collectively; Treasury, USPIS, New York State Office of Internal Affairs, and HSI arrested the subject.

Update: Criminal complaints were filed on three additional suspects, two of whom were arrested in New York and charged in the Southern District of New York. Judicial action is pending.

Subjects Plead Guilty to Theft of Public Money and Aggravated Identity Theft

As reported in the previous semiannual period, our joint investigation with the SSA OIG and IRS-CI identified three subjects who used stolen identities to access the MySocialSecurity (MySSA) system and redirected victims' benefit payments to accounts the subjects controlled. The subjects also filed false tax returns and redirected the fraudulent tax refunds to the subjects' accounts. The three subjects were indicted in the Middle District of Florida, Orlando Division, and were arrested for Conspiracy, Aggravated Identity Theft, and Theft of Public Money in the amount of \$91,750.

Update: Two subjects pled guilty to Theft of Public Money and Aggravated Identity Theft. Judicial action is pending.

Subject Pleads Guilty to Wire Fraud and Aggravated Identity Theft

As reported in previous semiannual periods, our investigation discovered a subject compromised a Treasury-regulated financial institution's credit card accounts, using stolen personally identifiable information to add herself as an authorized user to make purchases at various retail locations, causing a fraud loss of \$15,000. The subject was arrested by the Jacksonville Sheriff's Office, Jacksonville, Florida, for Defrauding a Financial Institution and Obtaining Personal Property with Intent to Defraud. The case was accepted for prosecution by the USAO, Middle District of Florida. The subject was indicted in the Middle District of Florida for Wire Fraud and Aggravated Identity Theft and was arrested while being held by the U.S. Marshals for Federal probation violations.

Update: The subject pled guilty to Wire Fraud and Aggravated Identity Theft and was sentenced to 160 months in prison, 72 months of probation, a \$200 special assessment, and ordered to pay \$17,000 in restitution.

Treasury OIG Accomplishments and Activities

Inspector General Thorson Receives the Alexander Hamilton Award

Inspector General Eric M. Thorson retired in June 2019 after serving over a decade as the Department of the Treasury (Treasury or the Department) Office of Inspector General's (OIG) Inspector General. For his many accomplishments, **Secretary Mnuchin** presented him with the Alexander Hamilton Award, the Department's highest honor.



Pictured above is Secretary Mnuchin Presenting the Alexander Hamilton Award to Inspector General Thorson

Acting Inspector General Delmar’s Interview on Government Matters

Acting Inspector General Richard K. Delmar appeared on WJLA television’s news program, Government Matters, on August 8, 2019. This news program delivers information and analysis to Federal managers, contractors, and those supporting the Federal marketplace. On air, **Acting Inspector General Delmar** discussed notable findings and cases reported in Treasury OIG’s Semiannual Report that resulted from OIG’s American Recovery and Reinvestment Act of 2009 (Recovery Act) work and internal control findings related to Treasury’s information security program and practices. The interview is available at <https://govmatters.tv/breaking-down-the-latest-treasury-ig-semi-annual-report/>

OIG Hosts International Delegations

In May 2019, **Acting Inspector General Delmar** and other Treasury OIG executives met with two groups of management officials from African and Caribbean countries, including Cameroon, Chad, Cote d’Ivoire, Gabon, Haiti, Mozambique, Niger, Nigeria, Senegal, Swaziland, Tunisia, and Uganda, brought to the United States by the International Visitor Leadership Program to learn about the mission of the U.S. Treasury, its organizational structure, the internal control environment, and how OIG conducts independent audits of Treasury.

OIG Office of Investigations and the United States Secret Service Develop Cryptocurrency Course Curriculum for International Law Enforcement Academies

The United States Secret Service invited Treasury OIG’s Office of Investigations to assist in development of a curriculum for the class “Investigating Criminal Use of Cryptocurrency.” The course, funded by the Department of State, is offered to foreign law enforcement students at International Law Enforcement Academy locations worldwide. OIG’s Office of Investigations developed a highly technical segment designed to teach students to look for evidence of cryptocurrency programs and wallets on a variety of computer and mobile device platforms. In June 2019, OIG and United States Secret Service taught the inaugural 2 week course to 23 students from Hong Kong, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, Timor-Leste, and Vietnam at an International Law Enforcement Academy location in Thailand.

Senior Special Agents Receive Award for Public Service

The U.S. Attorney for the District of Columbia presented two Treasury OIG Office of Investigations Senior Special Agents with an Award for Public Service for their role in halting multiple international criminal enterprises. Over several years, the agents investigated auto-auction fraud, business email compromise scams, international money laundering, and a network of unregistered money service businesses. The investigation identified the theft of over \$13 million from more than 170 victims, disrupted the theft of \$7 million from one victim, and resulted in 13 guilty pleas. The agents conducted joint operations with respective law enforcement partners throughout the U.S., Europe, and Israel.

Continuing Professional Education Symposium

Treasury OIG's Office of Audit held its continuing professional education symposium July 22-July 26, 2019, in Washington, DC. In attendance were 95 OIG staff members. The symposium provided 30.5 hours of quality training in the areas of (1) analyzing data; (2) coaching effective writing; (3) communicating with clarity; (4) developing effective relationships; and (5) managing the audit engagement. At plenary sessions, the attendees heard from subject matter experts on topics such as the Office of Audit's performance plans and expectations, Enterprise Risk Management, Internal Control, and recent updates to *Government Auditing Standards* (GAS).³ The office also conducted its fourth Audit Trivia competition, testing staff's knowledge of the Office of Audit's policy and procedures and GAS. This year's Audit Trivia champions were **Jeff Dye**, Audit Director; **Rufus Etienne**, Auditor; **Adrienne Gilbert**, Auditor; **Adelia Gonzales**, Auditor; **Mike Patel**, Audit Manager; **Virginia Shirley**, Program Analyst; and **Fawntrella Thompson**, Auditor.

Bank Secrecy Act Seminar

In September 2019, Treasury OIG's Office of Investigations, along with the U.S. Attorney's Office, Middle District of North Carolina, and the Internal Revenue Service, Criminal Investigations, Charlotte, North Carolina, co-hosted the third annual Bank Secrecy Act Seminar. Approximately 100 members of the banking industry alongside local, state, and Federal law enforcement attended this 2 day seminar, held in Charlotte, North Carolina. Topics included money laundering, virtual currency, current

³ Government Accountability Office, *Government Auditing Standards*, 2018 Revision (GAO-18-568G, July 2018)

fraud trends, and the importance of financial institutions filing Suspicious Activity Reports.

Certified Fraud Examiner Certification Training

In September 2019, Treasury OIG's Office of Investigations hosted the Certified Fraud Examiner's (CFE) Review Course through the Association of Certified Fraud Examiner's in OIG's Washington, DC office for 33 OIG and 10 Drug Enforcement Agency personnel. The CFE Exam tests knowledge and expertise in the four primary areas of fraud examination: Financial Transactions and Fraud Schemes, Law, Investigation, and Fraud Prevention and Deterrence. Participants were required to apply, complete pre-course work, provide references, and pass the primary areas exams. Upon completion, the Certification Committee reviewed applications and those meeting the requirements were awarded the title of "Certified Fraud Examiner".

OIG's Office of Investigations Houston Field Office Closes

In April 2017, Treasury OIG's Office of Investigations opened a field office in Houston, Texas, called the Southern Texas Resident Office (SOTX) to investigate fraud, waste, and abuse related to the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act) programs and activities administered by Treasury, the Gulf Coast Ecosystem Restoration Council, and the National Oceanic and Atmospheric Administration's Gulf Coast Ecosystem Restoration Science, Observation, Monitoring, and Technology Program. The office was staffed by one agent. OIG closed SOTX in September 2019 and transferred the agent's position back to the Washington, DC office.

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 follow:

Deborah Harker, Assistant Inspector General for Audit, serves as the Co-Chair of the Council of the Inspectors General on Integrity and Efficiency (CIGIE) Federal Audit Executive Council's (FAEC) 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 and is a member of CIGIE's Internal Control Working Group.

Pauletta Battle, Deputy Assistant Inspector General for Financial Management and Transparency Audits, chairs the FAEC'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 38 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' (AICPA) National Governmental Accounting and Auditing Update planning committee. The committee coordinated its annual east coast conference in Washington, DC, on August 12-14, 2019.

Jeffrey Dye, Audit Director, regularly teaches a module of the Introductory Auditor course sponsored by the CIGIE Training Institute.

James Hodge, Audit Director, serves with **Ms. Joseph** on the AICPA National Governmental Accounting and Auditing Update Conference planning committee, and is a member of the Office of Management the Budget's Fraud Reduction and Data Analytics Act Working Group. The Working Group's current focus is on fraud taxonomy to improve the Federal Government's fraud risk management efforts. Within the Working Group are numerous subgroups, broken out by internal and external fraud types. **Mr. Hodge** is a member of the internal fraudulent financial reporting subgroup.

Eileen Kao, Senior Advisor, and **Chereeka Straker**, Audit Manager, are participating on CIGIE's Quality Assurance Working Group. The Working Group is identifying good practices for implementing quality assurance across the OIG community. **Ms. Kao** is also a member of CIGIE's Internal Control Working Group.

Andrea Smith, Audit Director, led a half-day workshop the OIG hosted for the National Association of Black Accountants, Inc. Accounting Career Awareness Program (ACAP) on July 17, 2019 in Washington, DC. ACAP's primary objective is to increase the understanding of accounting and business career opportunities among high school students from underrepresented ethnic groups. ACAP, a one-week residency program at Howard University, introduced students to accounting, finance, economics, and management through a focused, undergraduate-level program taught by college faculty and guest lecturers from business and Government. During the week, students had the opportunity to attend classes on careers in accounting and business, personal

development, college preparation, and tour college campuses, local companies, and certified public accounting firms. The OIG's workshop encouraged students to learn about auditing and other career disciplines in the Federal sector through technical sessions and team building exercises. Other OIG representatives that contributed to this effort were **James Hodge**, Audit Director; and **R. Nikki Akinyeye**, Auditor.

Statistical Summary

Summary of Treasury OIG Activities

April 1, 2019 through September 30, 2019

OIG Activity	Number or Dollar Value
Office of Counsel Activities	
Regulation and legislation reviews	2
Instances where information was refused	0
Office of Audit Activities	
Reports issued and other products	25
Disputed audit recommendations	0
Significant revised management decisions	0
Management decision in which the Inspector General disagrees	0
Monetary benefits (audit)	
Questioned costs	\$18,269,711
Funds put to better use	\$0
Total monetary benefits	\$18,269,711
Office of Investigations Activities*	
Criminal and judicial actions (including joint investigations)	
Investigative reports issued	130
Cases referred for prosecution and/or litigation	40
Individuals referred for criminal prosecution to the Department of Justice	40
Individuals referred for criminal prosecution to state and local authorities	2
Cases accepted for prosecution and/or litigation	7
Arrests	1
Indictments/informations	8
Convictions (by trial and plea)	13

**During the reporting period, subjects were sentenced to 410 months of prison time, 421 months of probation, 425 days of community service, and ordered to pay fines, restitution, and court fees in the amount of \$10.6 million. In addition, OIG seized \$648,000 as the result of a criminal prosecution and participated in an investigation where a judgement of \$2.6 million was ordered to be paid to Treasury. To date, these funds have not been recovered.*

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 April 1, 2019

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 90 open and unimplemented recommendations for 18 reports issued prior to April 1, 2019. Treasury OIG does not have any potential cost savings to report for these reports.

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

Treasury Programs and Operations

Number	Date	Report Title and Recommendation Summary
OIG-15-036	06/15	<i>RESTORE Act: Alabama’s Center of Excellence Was Not Selected through Competitive Award</i> The Fiscal Assistant Secretary should ensure that the Alabama Council selects its Centers of Excellence through a competitive process in accordance with the RESTORE Act and Treasury regulations prior to disbursing grant funds to the Alabama Council for funding Centers of Excellence. Management agreed with the recommendation. (1 recommendation)
OIG-15-040	07/15	<i>OSP Needs to Promptly Inform OIG of Potential Illegal Activity and Improve Other Processes</i> The Assistant Secretary for Intelligence and Analysis should (1) conduct, in conjunction with the Office of the Chief

Information Officer, a resource analysis of the Office of Security Programs (OSP) to determine the proper information technology software, equipment, and support needed to comply with Central Verification System requirements and (2) ensure that OSP works with the Office of the Chief Information Officer and Office of Personnel Management, as appropriate, to resolve OSP system and data issues with the Central Verification System so that Treasury employee security clearance data is provided to and maintained in the Central Verification System on a complete, current, and accurate basis going forward. Management agreed with the recommendations. (2 recommendations)

OIG-16-001 10/15 *Libyan Sanctions Case Study*
 The Director of the Office of Foreign Assets Control (OFAC) should develop a lessons-learned process to capture and communicate acquired knowledge from past sanctions programs at a time appropriate for each sanctions program. Management agreed with the recommendation. (1 recommendation)

OIG-16-010 11/15 *Information Technology: Department of the Treasury Federal Information Security Modernization Act Fiscal Year 2015 Performance Audit*
 United States Mint (Mint) management, for the selected system, should (1) ensure access forms are completed, properly reviewed by the help desk prior to granting access, and centrally retained by the help desk and (2) ensure that its third-party cloud service provider provides Federal Information Security Modernization Act of 2014 (FISMA)-related artifacts to demonstrate FISMA compliance to the Mint security compliance team. Management agreed with the recommendations. (2 recommendations)

Treasury OIG Comment: Both recommendations are closed in Treasury’s audit follow-up system, the Joint Audit

Management Enterprise System (JAMES). However, Treasury OIG considers these recommendations to be unimplemented because the auditor has reported the recommendation as open in its 2019 FISMA audit.

OIG-16-059 09/16 *General Management: Treasury Has Policies and Procedures to Safeguard Classified Information but They Are Not Effectively Implemented*

The Assistant Secretary for Intelligence and Analysis should direct the Deputy Assistant Secretary for Security to (1) provide additional guidance and training to Standard Form (SF) 311 preparers focusing on areas of repeated weaknesses such as difficulties identifying the difference between original and derivative classification decisions; and (2) update the Treasury Security Manual to include procedures requiring OSP to follow up and obtain all bureau self-inspection reports. Management agreed with the recommendations.
(2 recommendations)

Treasury OIG Comment: Recommendation 1 is closed in JAMES. However, Treasury OIG considers the recommendation to be unimplemented, as documentation used to support the closure did not include evidence that guidance was provided to Departmental Offices (DO) and bureau SF 311 preparers focusing on difficulties identifying the difference between original and derivative classification decisions, including a reminder to DO and bureaus of their responsibilities to ensure that the SF 311 is complete and accurate.

OIG-17-044 05/17 *Terrorist Financing/Money Laundering: Federal Agencies Are Generally Satisfied with TFFC's Collaboration Efforts, but Enhancements Can Be Made*

The Assistant Secretary for Terrorist Financing should (1) develop policies and procedures to ensure continuity and consistency in collaboration efforts with interagency task forces and workgroups; (2) develop and implement a mechanism to monitor, evaluate, and report on the

effectiveness of the Office of Terrorist Financing and Financial Crimes' (TFFC) interagency collaboration; (3) develop meaningful performance measures specific to TFFC collaboration; and (4) address areas of concern expressed by Federal agencies regarding TFFC's collaboration that includes feedback, intersessional meetings, and invitations to participate in bilateral meetings with foreign countries during the Financial Action Task Force Plenary. Management agreed with the recommendations. (4 recommendations)

OIG-18-010R 11/17 *Treasury Continues to Make Progress in Meeting DATA Act Reporting Requirements, But Data Quality Concerns Remain*
 The Treasury Assistant Secretary for Management, working as needed with Treasury's senior accountable official, reporting entities, and the Government-wide Program Management Office, as well as the Office of Management and Budget (OMB) should continue to monitor the resolution for issues identified in corrective action plans including, but not limited to, the Administrative Resource Center's process to report procurement data on behalf of its customer agencies. Management agreed with the recommendations. (1 recommendation)

Treasury OIG Comment: The recommendation is expected to be closed after the FY 2019 Digital Accountability and Transparency Act (DATA Act) reporting cycle.

OIG-18-018 11/17 *Terrorist Financing/Money Laundering: OFAC Human Resources Practices Need Improvement*
 The OFAC Director should (1) ensure that 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; and (2) work with the Office of the Deputy Assistant Secretary for Human Resources and Chief Human Capital Officer to ensure that required records are included in the

electronic Official Personnel Folders (eOPF). Management agreed with the recommendations. (2 recommendations)

OIG-18-024 12/17 *Resource Management: Treasury's Office of Budget and Travel Potentially Violated the Antideficiency Act and Needs to Improve Its Reimbursable Agreement Process*

For findings 1 to 3, the Assistant Secretary for Management should (1) within 60 days of the issuance of this report, finalize the Office of Budget and Travel's (OBT) internal review of its fiscal year (FY) 2015 records and request a Government Accountability Office decision to determine if the Antideficiency Act (ADA) violations occurred; and (2) analyze OBT's FY 2016 and 2017 records to determine whether ADA violations occurred. For findings 4 to 11, the Assistant Secretary for Management should (3) ensure OBT develops, revises, and/or finalizes office-wide manuals, policies, and standard operating procedures to ensure: a. adequate documentation of all processes and procedures for budget formulation and execution, as well as reimbursable agreements; b. the signing of reimbursable agreements before periods of performance begin; c. timely billing of and revenue collection from DO customers (requesting agencies); d. recording of DO's reimbursable budget authority in the appropriate funds and timely recording of obligations and expenditures of reimbursable funds related to its requesting agencies subsequent to the signing of reimbursable agreements; e. ongoing communication between OBT and DO customers to effectively monitor OBT's execution of the goods and services provided, available funding, and collection of revenues against reimbursable agreements; and f. adequate supervision of OBT staff in the performance of budget formulation and execution duties, as well as the monitoring of reimbursable agreements that OBT is responsible for executing and servicing; (4) ensure OBT performs an analysis to determine whether advances should be obtained from DO customers at the time reimbursable services are ordered; (5) ensure OBT distributes to OBT management and staff, and provides training on, new or revised OBT policies and standard operating procedures and

timely notifies them of any modifications to the reimbursable agreement process; (6) ensure OBT complies with DO Reimbursable Agreement Policy (October 2010) by reviewing and updating a procedural manual that addresses roles, responsibilities, and activities associated with each phase of the reimbursable agreement lifecycle, as necessary, at least once every 2 years; and (7) ensure OBT develops a mandatory training program to ensure that all OBT management and staff are properly trained on budget execution and formulation, the reimbursable agreement process, and the requirements of applicable laws, regulations, policies, and guidance. Management agreed with the recommendations. (46 recommendations—recommendations are repeated for each applicable finding)

Treasury OIG Comment: The 46 recommendations are closed in JAMES. However, Treasury OIG considers these recommendations to be unimplemented until it completes its ongoing audit to determine if the recommendations are implemented.

OIG-18-032 12/17 *Terrorist Financing/Money Laundering: Financial Institutions Used FinCEN Guidance Designed To Avoid Duplicate Filing of Reports With OFAC and FinCEN, but BSA Data Users Did Not Have Access to All Data*

The Director of the Financial Crimes Enforcement Network, in collaboration with the Director of OFAC, should review the 2004 guidance and information sharing agreement based on changes to sanctions programs and update accordingly. Management agreed with the recommendation. (1 recommendation)

OIG-18-038 02/18 *Financial Regulation and Oversight: Treasury OIG Review of the Office of Financial Research's Government Purchase Card Program*

The Director of the Office of Financial Research (OFR) should (1) when Approving Official duties are transferred to OFR

employees in 2018, develop and implement a policy to require OFR Approving Officials to review purchase card transactions for potential split purchases on a monthly basis; (2) ensure a review of purchase cardholder files are completed to ensure that all documents required by policy and procedures are included in the files; and (3) develop and implement a policy for storing and maintaining government purchase card transaction documentation in a centralized location. Management agreed with the recommendations. (3 recommendations)

OIG-18-043 04/18 *Terrorist Financing/Money Laundering: OFAC's Licensing Program Would Benefit From System Enhancements*
 The Director of the OFAC should develop performance measures specific for the licensing division. Management agreed with the recommendations. (1 recommendation)

OIG-18-044 04/18 *Terrorist Financing/Money Laundering: Audit of the Office of Intelligence and Analysis' Authorities and Actions Related to U.S. Persons' Financial Information*
 The Under Secretary for Terrorist Financing and Intelligence (TFI), as expeditiously as possible, should ensure that the Office of Intelligence and Analysis (1) U.S. Persons Procedures are finalized and submitted for approval to the Attorney General of the United States and (2) implements a compliance monitoring program to assess whether intelligence analysts' activities are conducted in accordance with Office of Intelligence and Analysis 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. (2 recommendations)

OIG-18-049 08/18 *RESTORE Act: St. Bernard Parish's Internal Control over Federal Awards*
 The Fiscal Assistant Secretary should consider St. Bernard Parish's control deficiencies over grant timekeeping and employees' lack of knowledge, experience, and training on Federal grants as part of Treasury's oversight and

administration of St. Bernard Parish's awards. This consideration should also be part of Treasury's risk assessments required by the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards for future awards. Management agreed with the recommendation. (1 recommendation)

OIG-19-007 11/18 *Information Technology: Department of the Treasury Federal Information Security Modernization Act Fiscal Year 2018 Performance Audit*

Treasury Inspector General for Tax Administration (TIGTA) management should (1) develop a plan that incorporates and takes into account interruptions in TIGTA System funding; (2) obtain and issue full Authority to Operate to include the following: a. Ensure that the TIGTA System's current System Security Plan is finalized and updated to include the system architecture and all security controls based on system categorization are implemented according with Treasury Directive Publication 85-01, "Department of the Treasury Information Technology Security Program" (TD P 85-01) and National Institute of Standards and Technology Special Publication 800-53 Revision 4, "Security and Privacy Controls for Federal Information Systems and Organizations" (NIST SP 800-53, Rev. 4), guidance. b. Develop Plan of Action and Milestones for the 144 out of 159 TIGTA System NIST SP 800-53, Rev. 4, security controls that were not implemented or were partially implemented. c. Complete the Security Assessment and Authorization package for the TIGTA System in accordance with NIST SP 800-37 Revision 1, "Guide for Applying the Risk Management Framework to Federal Information Systems" (NIST SP 800-37); (3) establish a current enterprise baseline of software and related configurations for the TIGTA System; (4) perform vulnerability scanning over the TIGTA System 1 every 30 days in accordance with TD P 85-01; (5) develop and disseminate to TIGTA personnel a TIGTA System access control policy that addresses purpose, scope, roles, responsibilities, management commitment, coordination among organizational entities, and compliance;

(6) perform and document the Business Impact Analysis for the TIGTA System environment every two years as required by the Department of Homeland Security, Federal Emergency Management Agency, Federal Continuity Directive 1 and TD P 85-01; and (7) 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. (7 recommendations)

Mint management should (1) complete the Security Authorization and Accreditation packages for the Mint Systems 1 and 2 in accordance with the U.S. Mint Information Security Directive and NIST SP 800-37, Rev. 1; (2) ensure that Mint System 1 accounts that are inactive over 120 days are automatically disabled within the system in accordance with (TD P 85-01 and NIST SP 800-53, Rev. 4; and (3) implement a remediation plan for FY 2017 Mint Finding #1 to commit resources to update all Mint-wide information security policies and procedures on the frequency required by TD P 85-01 and NIST SP 800-53, Rev. 4. Management agreed with the recommendations. (3 recommendations)

Treasury OIG Comment: All Mint recommendations are closed in JAMES. However, Treasury OIG considers these recommendations to be unimplemented because the auditor has reported the recommendation as open in its 2019 FISMA audit.

OIG-19-016 11/18 *Financial Management: Audit of the Department of the Treasury's Consolidated Financial Statements for Fiscal Years 2018 and 2017*
The Assistant Secretary for Management and Deputy Chief Financial Officer should ensure that (1) the Bureau of the Fiscal

Service (Fiscal Service) implement requisite corrective actions to resolve control deficiencies over its cash management and debt information systems (2) the Internal Revenue Service (IRS) implements corrective actions to resolve the control deficiencies at IRS; (3) DO continues to follow its standardized processes and workflows, properly prepare reimbursable agreements and supporting documents, and dedicate resources to regularly monitor collections for reimbursable agreements and the fund balance; and (4) IRS and Fiscal Service develop and implement remediation plans outlining actions to be taken to resolve noncompliance with the federal financial management system requirements and the resources and responsible organizational units for such planned actions. Management agreed with the recommendations. (4 recommendations)

Treasury OIG Comment: Recommendation 3 above is closed in JAMES. However, Treasury OIG considers this recommendation to be unimplemented until follow-up is performed to determine if the recommendation is implemented.

OIG-19-019 12/18 *Financial Management: Management Letter for the Audit of the Department of the Treasury's Financial Statements for Fiscal Years 2018 and 2017*

DO management should focus additional resources to perform the following: (1) a. Review and analyze the server level security audit logs at the defined frequency that has been established. b. Follow DO Incident Response procedure to report any security incidents, policy violations, fraudulent activity, and operational problems. c. Track completion of the analysis, review and any escalations based upon the review and analysis of the security audit logs. (2) Periodically review Information System Security Officer's implementation and operation of the review of the security audit logs for the server level to determine that they completed the review and analysis of the security audit logs consistent with the defined frequency review requirement. Management agreed with the recommendations. (2 recommendations)

OIG-19-030	12/18	<p><i>Financial Management: Management Letter for the Audit of the Bureau of Engraving and Printing’s Financial Statements for Fiscal Years 2018 and 2017</i></p> <p>Bureau of Engraving and Printing management should (1) develop and implement policies and procedures around Contracting Officer requirements and controls to ensure invoice approvals are complete and accurate; (2) establish and implement policies, procedures, and controls to ensure that the proper inputs are used to create the Bureau's non-GAAP (non-generally accepted accounting principles) analysis as well as the review of the non-GAAP analysis; (3) establish and implement policies, procedures, and controls to ensure that the Bureau performs a timely, documented, review of the journal entry population for entries with the same preparer and reviewer; (4) implement a formal written policy for computing the non-stock accrual estimate; and (5) perform a detailed review of any new policy or procedure before implementing. Management agreed with the recommendations. (5 recommendations)</p>
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Closed Investigations of Senior Government Employees Not Publicly Disclosed

April 1, 2019 through September 30, 2019

Treasury OIG closed two investigations involving senior Government employees during the period that were not publicly disclosed. Of these investigations, one substantiated instances of misconduct against a senior Government employee and one was unsubstantiated. The substantiated instance was referred to Department of Justice (DOJ) for prosecution and DOJ declined to prosecute.

Case Number	Allegation/Disposition
OCC-18-0036-I	Treasury OIG received a complaint from the Office of the Comptroller of the Currency (OCC) that one of OCC’s

employees allegedly communicated via email, telephone, and in person with a journalist. The OCC notified OIG of five news articles that were released to the public containing sensitive bank information and internal OCC deliberations of the regulation of a Treasury-related financial institution. The Report of Investigation substantiated the allegations of Disclosure of non-public OCC information and OCC Policy and Procedures Manual 2100-5 Public Affairs/Media Relations. OIG presented the case to the U.S. Attorney's Office (USAO), District of Columbia for violations of making materially false, fictitious, or fraudulent statements in a Federal investigation. On March 23, 2018, the USAO declined to prosecute, and recommended the matter be handled administratively. The employee retired, therefore no action was taken.

Substantiated

BEP-19-0020-I

Treasury OIG Office of Counsel received a complaint regarding allegations of abuse of authority, improper hiring, unfair promotional practices, and intimidation by a Bureau of Engraving and Printing (BEP) employee. The complaint alleged the employee repeatedly violated Office of Personnel Management and BEP Office of Human Resources hiring and promotion policies. The Report of Investigation determined the allegation was unsubstantiated.

Unsubstantiated

Summary of Instances of Whistleblower Retaliation

April 1, 2019 through September 30, 2019

In the previous three semiannual periods we reported that Treasury OIG was investigating two instances of possible whistleblower retaliation. The cases were ongoing as of the end of this reporting period. There were no new cases of possible whistleblower retaliation opened during this reporting period. As such, there were no established cases of whistleblower retaliation to report for the period.

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

April 1, 2019 through September 30, 2019

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

April 1, 2019 through September 30, 2019

In the list of 25 audit products below we identified 2 products that were issued during the reporting period that were not publicly disclosed.

Office of Audit

Financial Regulation and Oversight: The Office of Financial Research Procurements Were Made In Accordance With Requirements (OIG-19-034, 4/2/2019)

Quarterly Summary Memorandum for the Lead Inspector General, Department of Defense: Operation Inherent Resolve - Summary of Work Performed by the Department of the Treasury and Office of Inspector General Related to Terrorist Financing, ISIS, and Anti-Money Laundering for Second Quarter Fiscal Year 2019 (OIG-CA-19-014, 4/9/2019)

Domestic and International Assistance Programs: Audit of Michigan State Housing Development Authority's Payment Under 1602 Program (OIG-19-035, 5/7/2019),
Questioned Costs \$5,689,432

RESTORE Act: Gulf Coast Ecosystem Restoration Council's Compliance with Improper Payments Elimination and Recovery Act (IPERA) of 2010 for Fiscal Year 2018 (OIG-CA-19-017, 4/2/2019)

GULF COAST RESTORATION: Treasury's Review of Multiyear Implementation Plans for Direct Component Funding (OIG-19-036, 5/22/2019)

FINANCIAL MANAGEMENT: Review of the Treasury's Compliance With the IPERA Requirements for Fiscal Year 2018 (OIG-19-037, 6/3/2019)

U.S. Department of Labor Office of Inspector General, System of Quality Control Review Report (OIG-CA-19-018, 6/6/2019)

Quarterly Summary Memorandum for the Lead Inspector General, Department of Defense: Operation Inherent Resolve - Summary of Work Performed by the Department

of the Treasury Related to Terrorist Financing, ISIS, and Anti-Money Laundering for Third Quarter Fiscal Year 2019 (OIG-CA-19-019, 7/9/2019)

Domestic and International Assistance Programs: Audit of ASI Federal Credit Union's CDFI Program Awards (OIG-19-038, 7/11/2019), **Questioned Costs \$12,298,806**

Domestic Assistance - Recovery Act: Audit of Georgia Department of Community Affairs' Payment Under 1602 Program (OIG-19-039, 7/18/2019), **Questioned Costs \$281,473**

Memorandum for the Honorable Richard K. Delmar, Acting Treasury Inspector General: Joint Purchase and Integrated Card Violation Report (October 1, 2018-March 31, 2019) (OIG-CA-19-020, 7/22/2019) **Internal Memorandum**

DATA Act: Treasury's Efforts to Increase Transparency Into Federal Spending Continue, But Further Refinement is Needed (OIG-19-040, 7/30/2019)

Interim Audit Update—Matters for Consideration Prior to Fiscal Service's Selection of the Direct Express® Debit Card Program Financial Agent (OIG-19-041, 7/29/2019)

Anti-Money Laundering/Terrorist Financing: Memorandum in response to letter from Congressman Quigley dated January 30, 2019 regarding the decision to terminate sanctions imposed on En + Group plc, UC Rusal, and JSC EuroSibEnerg (OIG-CA-19-021, 8/1/2019) **Sensitive But Unclassified**

Financial Management: Report on the Enterprise Business Solutions' Description of its HRConnect System and on the Suitability of the Design and Operating Effectiveness of its Controls for the Period August 1, 2018, to June 30, 2019 (OIG-19-042, 8/20/2019)

Termination Memorandum—Audit of the Office of Intelligence and Analysis (A-MF-16-059) (OIG-CA-19-022, 8/29/2019)

Financial Management: Report on the Bureau of the Fiscal Service Administrative Resource Center's Description of its Financial Management Services and the Suitability of the Design and Operating Effectiveness of its Controls for the Period July 1, 2018, to June 30, 2019 (OIG-19-043, 8/30/2019)

Anti-Money Laundering/Terrorist Financing: Audit of FinCEN's Section 311 Process (OIG-19-044, 9/4/2019)

Gulf Coast Restoration: Audit of Subsea Systems Institute Center of Excellence's Use of RESTORE Act Funds (OIG-19-045, 9/11/2019)

Risk Assessment of the Gulf Coast Ecosystem Restoration Council's Charge Card and Convenience Check Program (OIG-CA-19-023, 9/12/2019)

Risk Assessment of the Department of the Treasury's Charge Card and Convenience Check Program (OIG-CA-19-024, 9/12/2019)

Financial Management: Report on the Bureau of the Fiscal Service Federal Investments and Borrowings Branch's Description of its Investment/Redemption Services and the Suitability of the Design and Operating Effectiveness of its Controls for the Period August 1, 2018, to July 31, 2019 (OIG-19-046, 9/26/2019)

Financial Management: Report on the Bureau of the Fiscal Service Funds Management Branch's Description of its Trust Funds Management Processing Services and the Suitability of the Design and Operating Effectiveness of its Controls for the Period August 1, 2018, to July 31, 2019 (OIG-19-047, 9/26/2019)

Council of Inspectors General on Financial Oversight

CIGFO Audit of the Financial Stability Oversight Council's Monitoring of International Financial Regulatory Proposals and Developments (CIGFO-2019-01, May 2019)

Annual Report of the Council of Inspectors General on Financial Oversight (July 2019)

Audit Reports Issued With Questioned Costs

April 1, 2019 through September 30, 2019

Category	Total No. of Reports	Total Questioned Costs	Total Unsupported Costs
For which no management decision had been made by beginning of reporting period	0	\$0	\$0
Which were issued during the reporting period	3	\$18,269,711	\$18,269,711
Subtotals	3	\$18,269,711	\$18,269,711
For which a management decision was made during the reporting period	2	\$17,988,238	\$17,988,238
Dollar value of disallowed costs	2	\$12,299,161	\$12,299,161
Dollar value of costs not disallowed	1	\$5,689,077	\$5,689,077
For which no management decision was made by the end of the reporting period	1	\$281,473	\$281,473
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

April 1, 2019 through September 30, 2019

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	0	\$0	\$0	\$0
Subtotals	0	\$0	\$0	\$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	0	\$0	\$0	\$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>				

Reports for Which No Management Comment was Returned Within 60 Days

As of September 30, 2019

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

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

As of September 30, 2019

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

Significant Revised Management Decisions

April 1, 2019 through September 30, 2019

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

Significant Disagreed Management Decisions

April 1, 2019 through September 30, 2019

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

Peer Reviews

April 1, 2019 through September 30, 2019

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 Department of Education (Education) OIG. In its report dated September 24, 2018, Education OIG rendered a *Pass* rating for our system of quality control in effect for the year ended March 31, 2018. External audit peer review reports of our office are available on Treasury OIG's [website](#). On June 6, 2019, Treasury OIG rendered a *Pass* rating to the Department of Labor (DOL) OIG for its system of quality control in effect for the year ended September 30, 2018. Treasury OIG's review of the U.S. Agency for International Development (USAID) OIG was ongoing as of the end of 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 October 16, 2017, the Department of Energy (DOE) OIG found our office to be in compliance with all relevant guidelines for the period of April 2014 to July 2017. In addition, the peer review team identified best practices that increased the efficiency and effectiveness of our office. Best practices identified were the Treasury OIG policy for Certified Forensic Examiners and a process used in obtaining Inspector General Subpoenas. During this reporting period, our office completed a peer

review of the Federal Deposit Insurance Corporation's (FDIC) OIG. FDIC OIG was determined to be in compliance with the quality standards established by CIGIE.

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).

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 6-month 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.

During this reporting period, there were no banks supervised by the OCC that failed.

Operation Inherent Resolve Quarterly Summary Memorandums to the Department of Defense OIG

During this reporting period, we issued two summary memorandums 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 memorandums 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-19-014, OIG-CA-19-019)

Risk Assessments of the Gulf Coast Ecosystem Restoration Council's and Treasury's Charge Card and Convenience Check Programs

As required by the Government Charge Card Abuse Prevention Act of 2012, we conducted risk assessments of the Gulf Coast Ecosystem Restoration Council's (Council) and Treasury's charge card (collectively, purchase cards, travel cards, and centrally billed accounts) and convenience check programs to identify and analyze the risk of illegal, improper, or erroneous purchases and payments to determine the scope, frequency, and number of periodic audits of charge card and/or convenience check transactions. We assessed the overall risk of illegal, improper, or erroneous purchases and payments in the Council's charge card and convenience check programs as very low. As such, we determined that an audit of Council's charge card and convenience check program is not necessary at this time. (OIG-CA-19-023) We assessed the overall risk of illegal, improper, or erroneous purchases and payments in Treasury's charge card and convenience check programs as low. However, for OCC's purchase and travel card program and the Bureau of Engraving and Printing's purchase card program, we found the risks to be moderate. (OIG-CA-19-024)

Response to Congressman Quigley

We issued a memorandum in response to a January 30, 2019, letter from **Congressman Quigley** regarding the decision to terminate sanctions imposed on EN+ Group PLC, UC Rusal, and JSC EuroSibEnergo. Due to the sensitive nature of the information discussed in the memorandum, the memorandum is designated Sensitive But Unclassified. (OIG-CA-19-021, **Sensitive But Unclassified**)

References to the Inspector General Act

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Section 5(d)	Serious or flagrant problems, abuses, or deficiencies	N/A
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Abbreviations

1602 Program	Treasury's Payments to States for Low Income Housing Projects in Lieu of Low Income Housing Tax Credits
1603 Program	Treasury's Payments for Specified Energy Property in Lieu of Tax Credits
ACAP	Accounting Career Awareness Program
ACTC	Additional Child Tax Credit
ASI	ASI Federal Credit Union
CDFI	Community Development Financial Institution
CIGFO	Council of Inspectors General on Financial Oversight
CIGIE	Council of the Inspectors General on Integrity and Efficiency
COE	The Center for Organizational Excellence, Inc.
CohnReznick	CohnReznick LLP
Council	Gulf Coast Ecosystem Restoration Council
DAIMS	DATA Act Information Model Schema
DATA Act	Digital Accountability and Transparency Act of 2014
DCA	Georgia Department of Community Affairs
DOJ	Department of Justice
Direct Express	Direct Express® Debit Card program
DO	Departmental Offices
Dodd-Frank	Dodd Frank Wall Street Reform and Consumer Protection Act of 2010
DIF	Deposit Insurance Fund
EITC	Earned Income Tax Credit
EO	Executive Order
FA	financial assistance
FAA	financial agency agreement
FAEC	Federal Audit Executive Council
FBI	Federal Bureau of Investigation
FinCEN	Financial Crimes Enforcement Network
Fiscal Service	Bureau of the Fiscal Service
FISMA	Federal Information Security Modernization Act of 2014
FSOC	Financial Stability Oversight Council
FY	fiscal year
HFFI-FA	Healthy Food Financing Initiative financial assistance
HSI	Homeland Security Investigations
IPERA	Improper Payments Elimination and Recovery Act of 2010
IRC	Internal Revenue Code
IRS	Internal Revenue Service
IRS-CI	Internal Revenue Service, Criminal Investigations

JAMES	Joint Audit Management Enterprise System
KPMG	KPMG LLP
Mint	United States Mint
MSB	money services businesses
MSHDA	Michigan State Housing Development Authority
NIST SP 800-53,Rev.4	National Institute of Standards and Technology Special Publication 800-53 Revision 4, "Security and Privacy Controls for Federal Information Systems and Organizations"
OBT	Office of Budget and Travel
OCC	Office of the Comptroller of the Currency
OFAC	Office of Foreign Assets Control
OFR	Office of Financial Research
OIG	Office of Inspector General
OSP	Office of Security Programs
OMB	Office of Management and Budget
PMO	DATA Act Program Management Office
Recovery Act	American Recovery and Reinvestment Act of 2009
RESTORE Act	Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012
RMA	RMA Associates, LLC
SBLF	Small Business Leading Fund
Science Program	Gulf Coast Ecosystem Restoration Science, Observation, Monitoring, and Technology Program
SF	standard form
SSA	Social Security Administration
SSI	Subsea Systems Institute
TCEQ	Texas Commission on Environmental Quality
TFFC	Office of Terrorist Financing and Financial Crimes
TIGTA	Treasury Inspector General for Tax Administration
TD P 85-01	Treasury Directive Publication 85-01, "Department of the Treasury Information Technology Security Program"
Treasury or the Department Uniform Guidance	Department of the Treasury Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 200
USAO	U.S. Attorney's Office
USPS	U.S. Postal Service
USPIS	U.S. Postal Inspection Service



**Pictured above is the South Side of the Treasury Building in Washington, DC
Source: Treasury Graphics Branch**

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Access Treasury OIG reports and other information online:

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Treasury OIG Hotline for Treasury Programs and Operations – Call toll free: 1-800-359-3898
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<https://www.treasury.gov/about/organizational-structure/ig/Pages/OigOnlineHotlineForm.aspx>

Gulf Coast Restoration Hotline

Email: GulfCoastRestorationHotline@oig.treas.gov