

# OFFICE OF INSPECTOR GENERAL ANNUAL WORK PLAN

**FISCAL YEAR 2019**

October 1, 2018-September 30, 2019

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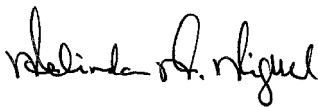
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## MESSAGE FROM THE INSPECTOR GENERAL

The Government Publishing Office (GPO) Office of Inspector General (OIG) Work Plan (Work Plan) outlines our responsibilities, organization, and work planning process. The Work Plan provides brief descriptions of new and ongoing activities that OIG plans to pursue during the next 12 months. Adjustments to the plan may be necessary to ensure that we direct our resources to areas of highest risk and vulnerability and to respond to any requests and complaints received.

This Work Plan reflects direct outreach and solicitation of topics and assignment suggestions from GPO's leadership, external stakeholders, and our staff. We evaluated prior audit results, inquiries, and complaints. I met with each of the members of the GPO senior leadership at the business unit level and toured many of their operations.

The OIG team of dedicated and professional staff is committed to contributing to adding value to the GPO. I want to thank the GPO senior management for their input that was considered in the development of this plan.



Melinda M. Miguel  
*Inspector General*



## INTRODUCTION

**G**PO is the Federal Government's primary resource for producing, procuring, cataloging, indexing, authenticating, disseminating, and preserving the official information products of the U.S. Government in both digital and tangible formats. GPO is responsible for producing and distributing information products and services for all three branches of the Federal Government, including U.S. passports for the Department of State as well as official publications of Congress, the White House, and other Federal agencies. In addition to publication sales, GPO provides for permanent public access to Federal Government information at no charge through the Federal Digital System and through partnerships with libraries nationwide participating in the Federal Depository Library Program.

This Work Plan identifies assignment topics continuing from Fiscal Year (FY) 2018 and assignment topics scheduled to start during FY 2019, allowing for unforeseen work that may be requested by Hotline complaints, GPO leadership, and Congress.

Our Work Plan is implemented through audits, evaluations, investigations, and follow-up reviews in compliance with the Inspector General (IG) Act, applicable professional standards of the U.S. Comptroller General, and the Quality Standards for Federal Offices of Inspectors General of the Council of the Inspectors General on Integrity and Efficiency.

## WHAT IS OUR RESPONSIBILITY?

OIG helps GPO effectively carry out its responsibilities by promoting economy, efficiency, and effectiveness in the administration of GPO programs and operations, designed to prevent and detect fraud, waste, and abuse in those programs and operations.

The GPO IG Act of 1988, title II of Public Law 100-504 (October 18, 1988) establishes the responsibilities and duties of the IG. The OIG, located in Washington, D.C., has 22 employees and is organized into two main components: the Office of Audits and Inspections and the Office of Investigations. Through audits, evaluations, inspections, investigations, and other reviews, OIG conducts independent and objective reviews of Agency programs and helps keep the Director and Congress informed of problems or deficiencies relating to administering and operating GPO.

## SUMMARY OF OIG'S STRATEGIC PLAN

The OIG Strategic Plan sets forth OIG's formal strategy for identifying priority issues and managing its workload and resources. Successful execution of this Work Plan will aid the OIG in providing the highest quality work products to our stakeholders as well as assist GPO in meeting its strategic mission, goals, and objectives. OIG has aligned its planning with that of the GPO planning.

Our mission is to help GPO effectively carry out its responsibilities by promoting economy, efficiency, and effectiveness in the administration of, and to prevent and detect fraud and abuse in, GPO programs and operations.

**Our goals are:**

### Goal 1

Assist GPO in meeting its strategic management goals related to transforming itself into a digital information platform and provider of secure documents to satisfy changing customer requirements in the present and in the future.

### Goal 2

Promote economy, efficiency, and effectiveness in GPO operations by helping GPO managers ensure financial responsibility.

### Goal 3

Strengthen GPO's print procurement programs that

support other Government entities by providing quality and timely assessments.

### Goal 4

Reduce improper payments and related vulnerabilities by helping GPO managers reduce payment errors, waste, fraud, and abuse in major GPO programs and operations while continuing to ensure that programs serve and provide access to the intended parties.

### Goal 5

Increase the efficiency and effectiveness with which GPO managers exercise stewardship over official publications from the three branches of the Federal Government.

### Goal 6

Strive for a highly qualified diverse workforce with the tools and training necessary to continuously enhance OIG ability to fulfill its mission, and communicate its accomplishments.

To accomplish the goals, we continuously monitor and assess risks in GPO programs and operations and target resources for those critical risks.

## WHERE DO WE OPERATE AND HOW ARE WE ORGANIZED?

The OIG is based in Washington, DC, and is organized as follows:



The IG provides policy direction and leadership for the OIG as well as serves as an independent voice to the Director and Congress by identifying opportunities and promoting solutions for improving GPO performance

and economy and efficiency of operations, while preventing and detecting fraud, waste, and abuse.

The Office of Audits and Inspections conducts audits across the spectrum of GPO's program and operational activities. It produces reports on activities aimed at improving GPO's economy, efficiency, and effectiveness, while seeking to detect and prevent fraud, waste, and abuse.

The Office of Investigations investigates allegations of fraud, waste, abuse, and misconduct that could impact GPO programs, operations, assets, and other resources. Investigative findings are referred to the Department of Justice for criminal prosecution or civil litigation, when appropriate.

Counsel to the Inspector General provides legal assistance and supports audits, evaluations, special reviews, and investigations.

Other administrative matters include financial management, procurement, human capital management, administrative, and information technology services that support OIG operations. Federal law mandates that the OIG reports semiannually to the Director and Congress on OIG activities during periods ending March 31 and September 30. In addition, the OIG provides the Director and Congress with assessments of the most serious management challenges the Agency faces.

### HOW DO WE PLAN OUR WORK?

Work planning is an ongoing dynamic process, and adjustments are made for meeting priorities as well as anticipating and responding to issues with available resources. Throughout the year, we assess relative risks in the GPO programs and operations for which we have oversight authority to identify areas most in need of attention and set priorities for allocated resources accordingly. Our planning reflects outreach and solicitation of topics and assignment suggestions from the GPO leadership, external stakeholders, and our staff. Other assignments are required or are self-initiated which are focused on providing the greatest value and risk reduction to GPO. We also consider requests made by management or concerns raised by Congress.

### WHAT IS OUR FOCUS?

OIG reported approximately \$50 million in funds put to better use, questioned costs, and other monetary impact

during the period from October 2014 through September 2018. The following agency goals provide areas for potential emphasis in oversight anticipated by the OIG.

#### Goal 1

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**Acquisition Services Procedures and Internal Controls**

Acquisition Services is responsible for procuring all equipment, materials, supplies, IT systems, construction, computer equipment, software, hardware maintenance support, and services needed by the GPO from outside sources. The OIG will review acquisition procedures for receiving and processing customer requests for goods and services; conduct an assessment of efficiency in the processes; and, determine if internal controls are adequate. (New)

**Bid and Award Procedures for 2020 Census Contract**

The OIG will review the processes for determining bid specifications, bidding, awarding, and re-awarding the contracts for the 2020 Census. The OIG will analyze any breakdowns in policies, process and internal controls. (New)

**Consolidated Financial Statements – Opinion on Financial Statements**

The OIG contracts with an independent public accounting (IPA) firm to conduct an audit of GPO's financial statements. This also results in a report on GPO's inter-

nal controls over financial reporting and compliance with applicable laws and regulations that could have a direct and material effect on the financial statements. The OIG ensure the audit is conducted in accordance with auditing and accounting standards. (New)

**Consolidated Financial Statements – General, Application, and Security Controls for GPO Financial Systems**

In support of the audit of GPO's Consolidated Financial Statements, we will determine if the information selected GPO financial systems produced is reliable by assessing the general, application, and security controls of the information technology systems. We will accomplish that primarily through a risk-based audit of the general, application, and security controls of select financial systems in compliance with GAO's Federal Information System Controls Audit Manual. Based on the review, we will conclude about whether controls for the systems were properly designed and operating effectively. (New)

**Cybersecurity Controls and Vulnerability Testing<sup>1</sup>**

The OIG plans to oversee penetration testing of information technology assets to identify and report on

<sup>1</sup> A baseline vulnerability assessment will also help determine future priorities and projects.



vulnerabilities and to verify appropriate corrective action by GPO. (New)

#### **FDsys Headquarters Application Server Attempted Defacement Incident**

GPO staff detected and reported artifacts on multiple Federal Digital System (FDsys) application servers consistent with a defacement attempt. The OIG will review controls in place at the time of the incident and verify the steps taken since the incident to ensure enhanced cybersecurity. This may also result in a review of the Computer Security Incident Response Team (CSIRT) or other incident reporting procedures. (On-going)

#### **Human Capital Hiring Processes**

GPO's Human Capital has the primary responsibility for recruiting, hiring, and training new employees. On November 5, 2018, the Office of Personnel Management (OPM) notified the Chief Human Capital Officer of its intent to conduct an evaluation of GPO's use of personnel authorities. OPM plans to review four systems of the Human Capital Framework, as defined in 5 CFR 250: Strategic Planning and Alignment, Talent Management, Performance Culture, and Evaluation. We intend to evaluate the results from this evaluation and determine if other audit coverage is needed. We also intend to evalu-



ate the average length of time it takes from recruitment to on-boarding for new employees. (New)

#### **Idle Time – Effect on Congressional Product Billing Rates**

Idle plant is a concept used in the manufacturing industry that refers to the difference between actual manufacturing capacity—the plant's current production—and total capacity, or that which the plant is capable of producing. In other words, idle plant includes times when the plant's machinery and labor are not being used. Those times must be properly managed, accounted for, and costs allocated to outputs. The audit will evaluate the extent to which idle time might impact the billing rates for congressional products. We will evaluate the controls in place to identify and quantify idle machinery and labor times and how idle time is accounted for and used in the determination the billing rates. (On-going)

#### **Improper Payments – Evaluation of Actions to Identify, Reduce, and Recover**

OIG will review steps GPO took to identify incorrect payments or incorrect amounts. We will also evaluate the internal controls in place to reduce incorrect payments. (New)

#### **Next Generation (NexGen) Passports Planning Processes**

The U.S. Department of State and GPO share technology, scientists, designers, and materials experts to create an advanced technology Passport booklet (NexGen) that will remain the world's most respected travel credential. We will conduct an independent verification and validation on the initial and planning phases of the NextGen Passports project lifecycle. (New)

#### **Page Rate Cost Recoveries**

GPO recovers costs for producing publications through reimbursement of its Revolving Fund. For the Office of



Federal Register, GPO recoups costs for the Federal Register and the Code of Federal Regulations through the establishment of a page rate. The OIG will determine what factors/costs are considered when developing the page rate for the Office of Federal Register reimbursements and if charges appear accurate for the time period tested. (New)

#### **Property Management Program**

GPO's Property Management Program supports all organizations and operations of GPO. The program encompasses all property whether owned, leased, rented, loaned, or borrowed by the GPO. It includes real property, such as land and buildings, and personal property, such as computers, cellular phones, tablets, equipment, furniture, machinery, and motor vehicles. The OIG plans to evaluate GPO's processes for ensuring the efficient use, planning and management of its real and personal property. The OIG plans to evaluate property management, assess inventory protocols, determine total amount of leased space, compare lease terms and costs, and verify accuracy of accounting methods. (New)

#### **Public Key Infrastructure Certification Authority**

GPO operates as a Certification Authority (CA) known as the GPO Public Key Infrastructure (PKI) CA [GPO-CA] in Washington, D.C. GPO's PKI is cross-certified with the Federal Bridge Certificate Authority (FBCA). FBCA certification requires that GPO PKI undergo annual independent compliance assessments. This assessment will determine if GPO's Principal CA Certificate Practices Statement conforms in all material respects to GPO-CA and Federal PKI common policies, and if GPO fairly states management's assertion in all material respects. (New)

#### **Purchase Card Program**

OIG will review selected purchase card transactions to

determine whether improper or potentially fraudulent purchases were made and if purchases complied with spending limits and other GPO requirements. The OIG plans to assess controls for ensuring purchases are accurate, appropriate and allowable. The OIG may review purchase card transactions at any time and on an ongoing basis. (On-going)

#### **Safety Program**

The Safety Program provides for a safe and healthful workplace consistent with applicable Federal, state, and local standards. OIG plans to perform an assessment of the Safety Program to provide GPO managers with an evaluation of the GPO safety program. The assessment will also determine if the program is sufficient to protect the health, safety, and welfare of GPO employees and other resources. (New)

#### **Simplified Purchase Agreement**

Under the Simplified Purchase Agreement, the customer agency places orders directly with contractors for products or services up to \$10,000. GPO certifies contractors for inclusion in the Simplified Purchase Agreement program and notifies both customer agencies and contractors of new participants. Our objective will be to review steps GPO has taken for ensuring acquisition requirements were followed and an evaluation of internal controls. (On-going)

#### **System Development – Integration of Security Activities**

Consideration of security in the System Development Life Cycle is essential to implement and integrate a comprehensive strategy for managing risk for all Information Technology assets in an organization. OIG will review the steps GPO follows during development and deployment of select systems as they pertain to integrating security activities into system development. (New)



## 8 INVESTIGATIVE PLAN

The OIG's Office of Investigations conducts and coordinates investigations into alleged fraud, waste, abuse, and mismanagement affecting GPO programs, operations, and personnel. Investigations routinely lead to criminal, civil, and/or administrative proceedings that result in the imposition of a number of remedies, such as court-imposed prison terms, fines, restitution, contractor suspension and/or debarment, and employee suspension and/or removal from Federal service. Although many investigations are in response to OIG receiving a complaint, some are the result of broad initiatives arising from previous OIG activities or as part of broad interagency initiative.

Overall investigative efforts are aligned with OIG's strategic goals that aim to improve the economy, efficiency, and integrity of GPO. Historically, investigative efforts have been predominantly represented by allegations associated with procurement fraud, Federal Employees' Compensation Act (FECA) fraud, and employee integrity matters—allegations often encompassing one or more of OIG's strategic goals. Investigative efforts for this period will include efforts to better combat fraud, waste, abuse, and mismanagement related to:

- Procurement and contract activities associated with GPO Customer Services and Acquisition Services
- Unlawful cybersecurity threats and attacks on GPO
- GPO FECA program to include individuals and, when appropriate, healthcare providers

OIG typically employs an array of investigative techniques and tools to conduct on-going investigations, as well as identifying and pursuing new investigative initiatives such as those identified above. This routinely includes using various analytical methods to identify and assess numerous GPO data sources.

OIG documents the results of all of its investigative activities in the form of a memorandum, a Report of Investigation, and/or a Management Implication Report. The various reporting formats are also used to distribute investigative findings to those responsible for determining the final disposition of the investigation such as a U.S. Attorney's Office.



## HIGHLY QUALIFIED DIVERSE OIG WORKFORCE

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OIG strives for a highly qualified diverse workforce with tools and training that will continuously enhance OIG ability to fulfill its mission and communicate its accomplishments.

OIG seeks to create a work environment where all employees are valued, treated fairly, and given opportunities for developing their full potential. Having a diverse, highly professional, motivated, and multidisciplinary staff helps OIG fulfill its mission to support GPO and Congress and helps improve the performance and accountability of the Government for the benefit of the American people.

Annually, OIG issues a comprehensive training plan. The plan establishes a framework for assuring that OIG has aligned its employee training resources with its core programmatic and organizational priorities. Training supports the OIG mission by providing the organization with strategies necessary to accomplish the orientation, training, and development of a competent, motivated, diverse workforce, while making the best use of available resources. The purpose of training is to increase effectiveness of individuals and teams, throughout their employment, so they can contribute to accomplishing OIG goals. Training provides opportunities for employees to gain or enhance knowledge and skill sets to do their jobs.

Employee training is provided through on-the-job training, instructor-led training, and online training. Our training focuses on core competency related to knowledge and skills, with the balance focused on computer skills and other employee skill development. On-the-job training is at the purview of individual managers.

This plan should serve as a guide for OIG professionals gaining the knowledge, skills, and abilities necessary to maintain currency in professional practices and to effectively perform their work. OIG identified a set of core competencies in our training plan needed to accomplish the OIG mission.





Report violations of law, rules, or agency regulations, mismanagement, gross waste of funds, abuse of authority, danger to public health and safety related to GPO contracts, programs, and/or employees.

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