

ONE HUNDRED THIRTEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**

COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6115

Majority (202) 225-2927  
Minority (202) 225-3641

May 23, 2013

The Honorable Gene L. Dodaro  
Comptroller General of the United States  
U.S. Government Accountability Office  
441 G Street, N.W.  
Washington, D.C. 20548

Dear Mr. Dodaro:

We write to request that the Government Accountability Office (GAO) examine performance, effectiveness, and management concerns relating to the Office of Inspector General at the Department of Commerce (DOC-IG).

In April 2013, the DOC-IG provided statistics to Committee staff that showed a return on investment in Fiscal Year (FY) 2012 of more than \$4 for every dollar spent, and that the ratio of monetary benefits to direct appropriations has increased by more than a factor of ten since FY 2008. Committee staff attempted to substantiate this ratio for return on investment by examining the DOC-IG statistics published in semi-annual reports. When Committee staff did so, there was conflicting statistical information that would seem to not support some of the same totals and ratios reported by DOC-IG to the staff. Further, the DOC-IG FY 2013 budget submission conflicted with the return on investment reported by DOC-IG to Committee staff. According to Exhibit 3A, Outcome 1, Measure 1b, "Dollar value of financial benefits identified by OIG" (which included questioned costs agreed to by management, funds put to better use and recoveries), the actual dollar value of financial benefits was \$113.9 million in FY 2008 (a return on investment of about 4.27), and steadily declined to the actual dollar value of financial benefits of \$33.5 million in FY 2011 (a return on investment of about 1.25).

Moreover, other DOC-IG statistics raise questions about the performance and effectiveness of that office. The September 2012 semi-annual report indicates that there were no fines or other financial recoveries that reflected actual monetary recoveries for the Department of Commerce for the reporting period. Previous semi-annual reports suggest a downward trend in this category as well. For example, DOC-IG reported over \$94 million in fines and other financial recoveries in September 2008 (with about \$58 million reported in September 2009 and about \$1.4 million in September 2010), but in September 2011, DOC-IG reported only \$1.3 million in fines and other financial recoveries. With regard to investigative activities, there were

zero arrests or indictments reported in the September 2012 semi-annual report. These statistics raise a number of questions about how well the DOC-IG office is functioning. For example, what are the appropriate metrics for measuring performance of the Office of Inspector General? What are the most accurate returns on investment ratios or other performance measurements? What is the effectiveness of DOC-IG activities?

In addition to the apparent downward trend in investigative activities noted above, there have been recent controversies involving the Inspector General's working relations with some DOC-IG law enforcement agents. In December 2012, the Merit Systems Protection Board (MSPB) issued a stay order against the DOC-IG, temporarily lifting gag agreements aimed at preventing four DOC-IG law enforcement agents from providing information to Congress and the Office of Special Counsel. Particularly troubling was the MSPB's finding of "reasonable grounds to believe that the agency [DOC-IG] took or threatened to take [personnel actions] against the former employees in violation" of the Whistleblower Protection Act and the Lloyd-LaFollette Act, a law that protects the right of Federal employees to provide information directly to Congress. On April 30, 2013, two former DOC-IG agents pleaded guilty to filing false expense claims and committing attendance fraud. According to the *Washington Post*, the Inspector General stated that these former agents had "retaliated by carrying out a destructive campaign of disparagement and false allegations against the Office of Inspector General." However, lawyers for the former agents took issue with the Inspector General's statement.

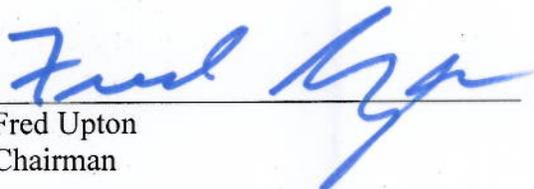
Without resolving the merits of the disputes between DOC-IG management and former or current law enforcement agents, our immediate concern is to find out why there is a dearth of reported investigative activity, and whether DOC-IG investigative performance has been impaired by these personnel disputes or practices.

We would like the GAO to specifically answer questions in the following areas:

1. *Performance and effectiveness*: What are the appropriate metrics to determine the performance and effectiveness of the DOC-IG office? What is the appropriate timeframe to measure trends in these metrics to evaluate performance and effectiveness? Applying the appropriate metrics and timeframes, what has been the performance and effectiveness of the DOC-IG's office? Is it appropriate to compare the DOC-IG performance metrics with those of another Office of Inspector General? If so, what does such a comparison show?
2. *Management concerns*: What is the status of DOC-IG investigative performance? Has it been improving or declining? Has it been affected by controversies and disputes between some current or former DOC-IG law enforcement agents and the DOC-IG management? Has performance been affected by certain personnel practices?

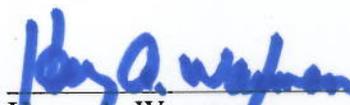
If you have any questions regarding this request, please contact Alan Slobodin of the Committee Majority staff at (202) 225-2927 and Brian Cohen of the Committee Minority staff at (202) 225-3641.

Sincerely,



---

Fred Upton  
Chairman



---

Henry A. Waxman  
Ranking Member



---

Tim Murphy  
Chairman  
Subcommittee on Oversight  
and Investigations



---

Diana DeGette  
Ranking Member  
Subcommittee on Oversight  
and Investigations