

FOLLOW-UP AND RESOLUTION FOR OFFICE OF INSPECTOR GENERAL REPORT RECOMMENDATIONS

I. Purpose

This Directive establishes Department of Homeland Security (DHS) policy for reaching resolution and closure on Office of Inspector General (OIG) report findings and recommendations in accordance with Office of Management and Budget (OMB) Circular A-50.

II. Scope

A. This Directive applies throughout DHS to all final OIG reports that include findings and recommendations.

B. Covered reports are issued by OIG's Offices of Emergency Management Oversight, Information Technology Audits, Audits, and Inspections. Covered reports include management implications reports and inspection reports issued by OIG's Office of Investigations.

C. This Directive does not apply to reports of investigation issued by OIG's Office of Investigations, audits conducted by the Defense Contract Audit Agency, audits of state and local governments or non-profit organizations in compliance with the Single Audit Act, or reports issued by the Government Accountability Office (GAO).

III. Authorities

A. Title 5, United States Code Annotated, Appendix 3, "The Inspector General Act of 1978"

B. Title 6, United States Code, Section 112, "Secretary; functions"

C. Office of Management and Budget (OMB) Circular A-50, "Audit Follow-up"

D. Delegation 00109 "Delegation to the Under Secretary for Management to Act as the Audit Follow-up and Resolution Official for Office of Inspector General Report Recommendations"

E. DHS Management Directive 00810.1, "The Office of Inspector General"

IV. Definitions

Audit Follow-up and Resolution Official: Oversees DHS 1) audit follow-up, including response, resolution and corrective action implementation, of OIG audit report recommendations, as provided in Office of Management and Budget (OMB) Circular No. A-50, "Audit Follow-up," and 2) report follow-up, including response, resolution and corrective action implementation, of OIG report recommendations from all other OIG reports, except reports of investigation issued by OIG's Office of Investigations.. Pursuant to Delegation 00109, the DHS Audit Follow-up and Resolution Official is the Under Secretary for Management.

V. Responsibilities

A. **Audit Follow-up and Resolution Official:** Ensures that systems of report follow-up, resolution, and corrective actions are documented and in place, timely responses are made to all reports, disagreements are resolved and corrective actions are actually taken.

B. **Component Heads:** Responsible for ensuring that management decisions, resolution, implementation of agreed-upon corrective actions, and other closure actions on all OIG report findings and recommendations are properly vetted within the Component and, as necessary, within the Department, and transmitted to OIG within established time frames set forth in the final report transmittal. The Executive Secretary is responsible for ensuring that management decisions, resolution, implementation of agreed-upon corrective actions, and other closure actions on all OIG report findings and recommendations addressed to the Office of the Secretary, or the personnel within that office, are properly vetted and transmitted to OIG within established time frames set forth in the final report transmittal.

C. **Inspector General:** Responsible for making independent audits and inspections of the Department's programs, operations, activities and functions, reviewing responses to reports, and reporting significant disagreements to the Audit Follow-up and Resolution Official concerning resolution and closure actions.

VI. Policy

- A. Audit follow-up is an integral part of good management and is a shared responsibility of the Office of the Secretary, the Office of Inspector General, and all other Components in DHS.
- B. OIG and personnel in other Components work cooperatively to reach resolution on findings and recommendations, including corrective actions and target implementation dates, within six months of final report issuance.
- C. DHS establishes systems to assure the prompt and proper resolution and implementation of report recommendations. These systems comply with OMB Circular A-50 and provide for a complete record of action taken on both monetary and non-monetary findings and recommendations.
- D. Unless otherwise stated in the report transmittal, Components respond to draft OIG reports of findings and recommendations within thirty (30) days. Responses to draft reports include written comments indicating agreement or disagreement on reported findings and recommendations. Components respond to final OIG reports of findings and recommendations within ninety (90) days of report issuance. Responses to final reports, with comments indicating agreement with final reports, include planned corrective actions and, where appropriate, dates for achieving actions and the official responsible for implementation of the corrective action. Comments indicating disagreement explain fully the reasons for disagreement, including any legal basis, as appropriate.
- E. OIG notifies the Component in writing of the status of the report and its recommendations within thirty (30) days of its receipt of the Component's management decision or closeout letter.
- F. Components (or the Office of the Secretary) generally implement corrective action on resolved findings and recommendations within one year of final report issuance or as agreed upon by the Component and OIG.
- G. OIG reports to Congress and the public on Component follow-up activity at least semiannually. Reports describe significant management decisions on which there is disagreement, unresolved recommendations or reports over six months old, and management decisions reached for which final corrective action has not been completed within one year of the final report's issuance or as agreed to by the Office of the Secretary or the Component.

VII. Questions

Address questions regarding this Directive to the OIG's DHS/GAO Liaison or to the Departmental Audit Liaison.



Rafael Borrás
Under Secretary for Management

10-7-10
Date