



U.S. DEPARTMENT OF
ENERGY

Office of Inspector General

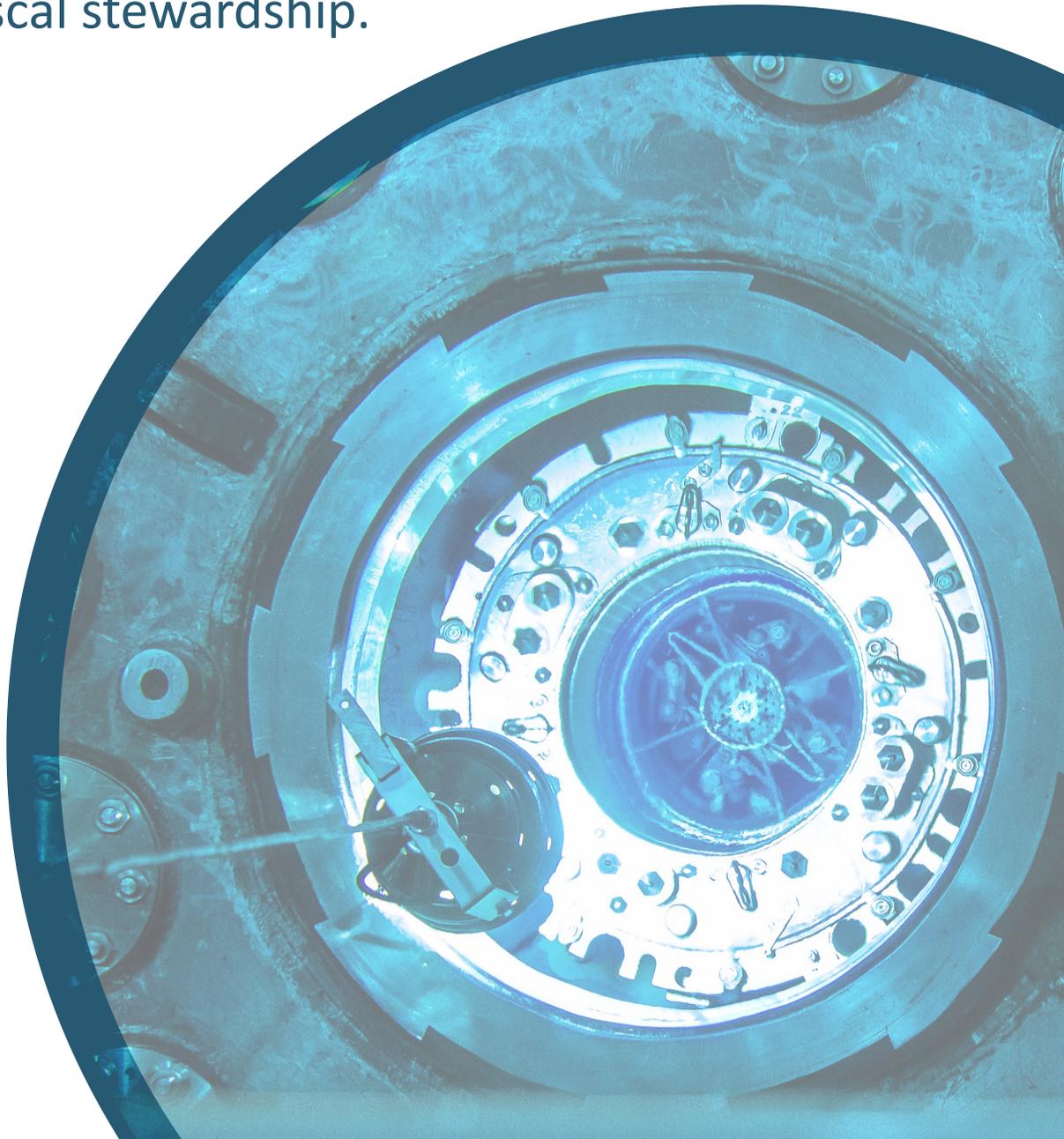
2023 Performance Report
2024 Performance Plan

We provide independent oversight of the Department of Energy to promote sound fiscal stewardship.

This report articulates the Office of Inspector General's (OIG) performance measures for fiscal year (FY) 2024 and reports on performance for FY 2023 measures. The performance measures align with the goals as written in the *U.S. Department of Energy Office of Inspector General Strategic Plan 2022–2026*.

Oak Ridge National Laboratory
High Flux Isotope Reactor.

Source: <https://www.flickr.com/photos/oakridgelab/52779617589/in/album-72177720307109144/>



Message from the Inspector General

With an OIG budget of \$86 million in FY 2023, OIG findings resulted in approximately \$864 million of monetary impact. The OIG identified instances of fraud, bribery, unqualified labor at sensitive Department of Energy sites, researchers who posed a national security risk by improperly receiving funding from foreign adversaries, unauthorized access to sensitive records, contractor expenses that did not undergo required audits, and more than 22,000 cybersecurity vulnerabilities, among other findings.

In FY 2023, I testified three times before Congress on the risks arising from the major expansion of both the Department's loan programs and its grant programs, as funded by recent pieces of legislation which collectively appropriated \$99 billion to the Department and increased the Department's loan authority to more than \$400 billion. Underfunding oversight makes this risky situation more amenable to fraud, waste, and abuse.

Despite these increased risks to Department programs and operations, my office faces a \$264.7 million funding shortfall to oversee supplemental appropriations and a \$74.2 million shortfall in our base budget in FY 2023. Without substantially increased resources, the OIG's oversight will be a fraction of what it should be and will not include any oversight of many key areas.

I look forward to working with Congress to ensure that my office receives the funding necessary to reduce fraud, waste, and abuse.

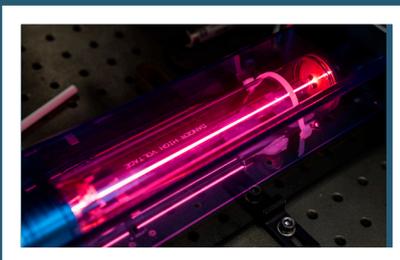


Teri L. Donaldson
Inspector General



Flatirons Campus substation transmission network. Photo by Dennis Shroeder/ National Renewable Energy Laboratory.

Source: <https://images.nrel.gov/MX/Profiles/en/default/#/main/single/4ed7b6ff-dc3b-4d8b-b488-8b352f4a9b87>



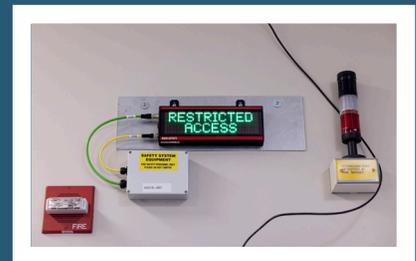
A helium-neon laser which is a component of the Heated Pedestal Growth System.

Source: <https://www.flickr.com/photos/netmultimedia/51017080280/in/album-72177720295747687/>



Fermi National Accelerator Laboratory Tractricious sculpture.

Source: <https://www.flickr.com/photos/ggcisko/49637270702/in/pool-fermilab/>



Personnel safety system area status signage to indicate radiologically controlled areas at Jefferson National Laboratory.

Source: <https://www.flickr.com/photos/jeffersonlab/53171308911/in/album-72177720311031267/>



Long Island Solar Farm on the Brookhaven National Laboratory site.

Source: <https://www.flickr.com/photos/brookhavenlab/8164351795/in/album-72157627920265061/>

Award-Winning Work

The OIG takes pride in the work of its staff. The Council of Inspectors General for Integrity and Efficiency (CIGIE) recognized the OIG with four “Special Act” awards for the work described below.



Council of the
INSPECTORS GENERAL
on INTEGRITY and EFFICIENCY



Award for Excellence (Auditing)

In recognition of outstanding audit work that identified areas for improvement in the Department’s depleted uranium hexafluoride conversion operations to help prevent further cost growth and help to ensure compliance with regulatory milestones.



Award for Excellence (Auditing)

In recognition of outstanding audit work that identified areas for improvement in project management by the National Nuclear Security Administration’s (NNSA) Stockpile Stewardship Program, which assesses issues affecting the certification of the National nuclear weapons stockpile.



Award for Excellence (Evaluations)

In recognition of outstanding evaluation work that identified longstanding critical safety and personnel failures of an NNSA facility maintenance and support services contractor.



Award for Excellence (Investigations)

In recognition of outstanding investigative work that identified gratuities and embezzlement schemes hobbling the Nation’s largest effort to re-purpose military nuclear material into commercial fuel to produce electricity.

Sandia National Laboratories. A dramatic New Mexico sky is reflected in the curved mirrors of the parabolic trough.

Source: <https://www.flickr.com/photos/departmentofenergy/25731317860/in/faves-38540187@N03/>

Vision

We serve the Nation through our quality and independent work, our talented workforce, and our innovative approaches to create positive change and to make good Government better.

We establish relationships with decision makers to understand their priorities and to promote positive change based on our findings.

Mission

We strengthen the integrity, economy, and efficiency of the Department's programs and operations, including deterring and detecting fraud, waste, abuse, and mismanagement.

We provide reliable and credible information to Congress, Department officials, the Department of Justice, and the public. This information identifies areas of risk and vulnerability, opportunities for improvement, and evidence of wrongdoing.

We have authority to inquire into all Department programs and activities, including the activities of recipients of Department money.

Impact

Our information allows officials to hold wrongdoers accountable, recover wasted taxpayer dollars, and improve programs and operations.

We make recommendations to address our findings.

We provide evidence that allows decision makers to hold wrongdoers accountable.

OIG Strategy

Goal 1: Our People

Be an employer of choice by cultivating a diverse, skilled, and engaged workforce, and fostering an inclusive, collaborative environment

1. Recognize and celebrate the success of employees
2. Improve employee engagement and communication with employees
3. Advance a culture of inclusiveness at all levels by fostering a fair, open, diverse, and cooperative working environment
4. Prioritize training, development, and opportunities for advancement for personnel

Goal 2: Our Work

Conduct independent oversight to strengthen the integrity, economy, and efficiency of Department programs, and to deter and detect fraud, waste, abuse, and mismanagement

1. Conduct independent and impactful oversight programs that are accurate and timely
2. Ensure that OIG oversight reviews are based on a solid legal foundation
3. Assist the Department and the NNSA in developing a more robust administrative remedies program by providing accurate, timely, and impactful referrals and supporting the decision of the suspension and debarment officials
4. Perform real time data analytics in both Federal and contractor systems to support OIG Investigations, Audits, and Inspections, with proactive analyses focused on early detection and prevention of major risks
5. Utilize a team-based, cross-functional approach to oversight for the most challenging high-risk projects

Goal 3: Our Operations

Modernize OIG operations through innovation and technology

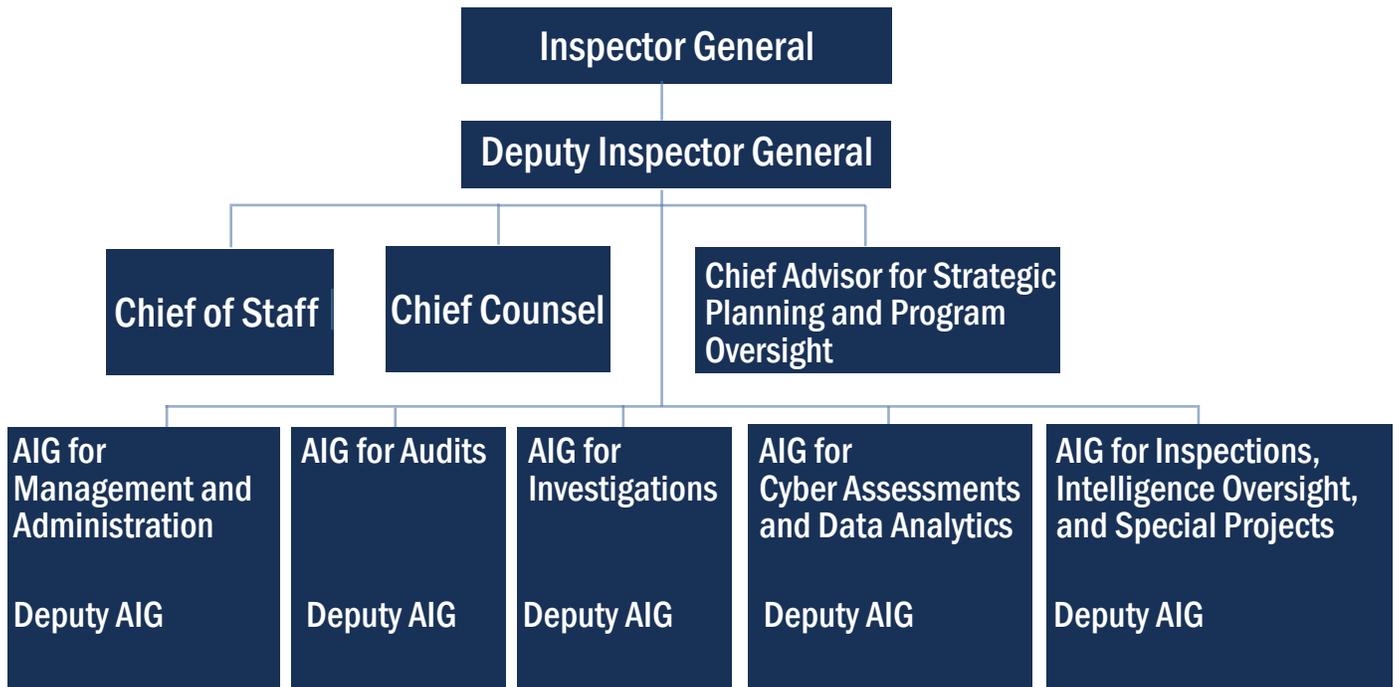
1. Develop and deploy innovative information technology to strengthen OIG mission accomplishment
2. Strategically manage the OIG's organizational growth

Goal 4: Our Stakeholders

Enhance mission success through effective outreach, stakeholder engagement, and coalition building

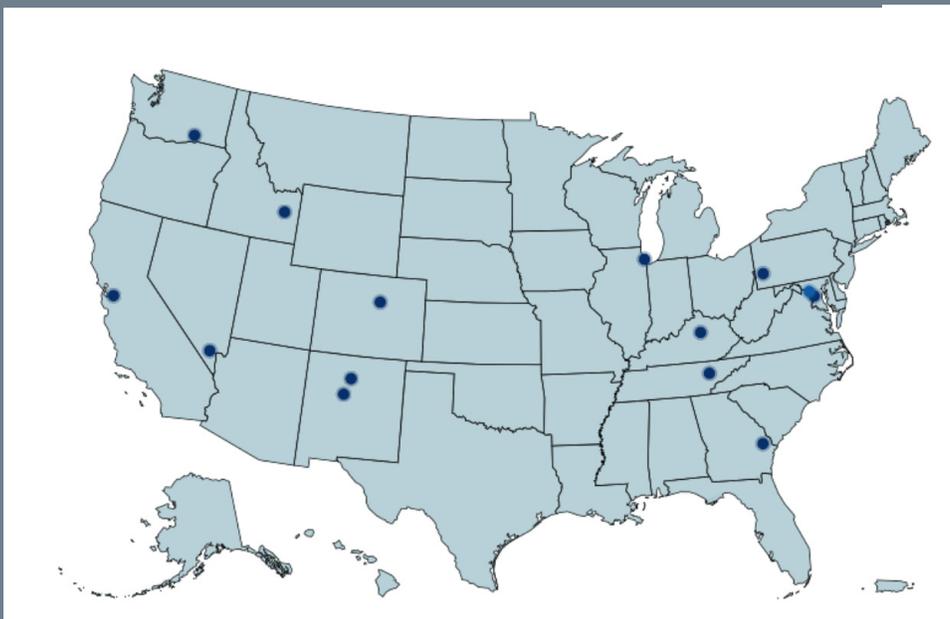
1. Continue to improve communications with stakeholders, including the Department and Congress

OIG Structure and Locations



The OIG's headquarters is in Washington, DC, with field offices in:

- Livermore, CA
- Denver, CO
- Idaho Falls, ID
- Chicago, IL
- Lexington, KY
- Germantown, MD
- Las Vegas, NV
- Albuquerque, NM
- Los Alamos, NM
- Pittsburgh, PA
- Savannah River, SC
- Oak Ridge, TN
- Richland, WA



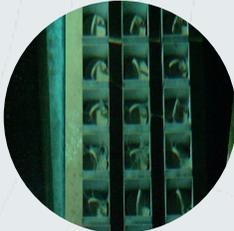
Abbreviations that appear in this report:

- Assistant Inspector General (AIG)
- Council of Inspectors General on Integrity and Efficiency (CIGIE)
- Cyber Assessments and Data Analytics (CADA)
- Department of Energy (Department)
- Government Accountability Office (GAO)
- Inflation Reduction Act (IRA)
- Infrastructure Investment and Jobs Act (IIJA)
- Inspector General (IG)
- Management and Administration (MA)
- Management and operating (M&O) contracts
- National Energy Technology Laboratory (NETL)
- National Nuclear Security Administration (NNSA)
- National Renewable Energy Laboratory (NREL)
- Office of Audits (OA)
- Office of Investigations (OI)
- Office of Inspections, Intelligence Oversight, and Special Projects (OIIIS)
- Office of Inspector General (OIG)
- Office of Management and Budget (OMB)

The Department

The Department's mission is to ensure America's prosperity and security by addressing its energy, environmental, and nuclear challenges through transformative science and technology solutions.

Department programs and activities are run by multiple program offices, staff offices, and operations offices; 17 National Laboratories; and 23 M&O contractors.

 <p>Nuclear Security</p> <ul style="list-style-type: none"> Nuclear nonproliferation Naval reactors Counterterrorism and counter-proliferation Defense nuclear security Nuclear and radiological emergency response <p>The Annular Core Research Reactor at Sandia National Laboratories. Photo by Randy Montoya.</p> <p>Source: https://www.flickr.com/photos/sandia-labs/6289993320/in/album-72157627999347798/</p>	 <p>Research and Development of Energy Technologies</p> <ul style="list-style-type: none"> Office of Science Electricity Nuclear energy Fossil energy and carbon management Arctic energy Energy efficiency and renewable energy Artificial intelligence and technology <p>National Energy Technology Laboratory CO2 laser.</p> <p>Source: https://www.flickr.com/photos/netlmultimedia/37358441900/in/faves-37916456@N02/</p>
 <p>Clean Energy Solutions</p> <ul style="list-style-type: none"> Loans Indian energy Clean energy demonstrations Cybersecurity, energy security, and emergency response Federal energy management <p>Judith Gap Wind Farm, MT. Image courtesy of Idaho National Laboratory Wind Energy Program.</p> <p>Source: https://www.flickr.com/photos/inl/7997220069/in/album-72157634444711059/</p>	 <p>Environmental Management</p> <ul style="list-style-type: none"> Cleanup of radioactive and hazardous waste materials, including: Contaminated building deactivation and decommissioning Soil and groundwater decontamination Radioactive liquid waste treatment <p>Savannah River Site L Basin used for underwater storage of spent nuclear fuel.</p> <p>Source: https://www.flickr.com/photos/51009184@N06/6554866961/in/album-72157631519417524/</p>

The Department:



Distributes almost 90% of its budget through contracts and financial assistance awards; approximately **30% of contract obligations** by the largest prime contractors are further distributed to subcontractors

Received about \$100 billion in supplemental appropriations, much of which will be distributed to **thousands of grant recipients**

Is responsible for more than **\$400 billion** in loan authority

Estimates costs of **\$229 billion** for nuclear force plans through 2030

Carries more than **\$500 billion** in environmental liability

Provides more than \$16 billion in Department funding for research and development; the Department's Office of Science basic research portfolio alone supports **nearly 32,000 researchers**

OIG Work

Our Products and Services



Audit, Inspection, Evaluation, and Special Reports

We report the findings of our oversight work to the Department, Congress, and the public. Through our reports, we provide reliable and credible financial and performance information and make recommendations for improvement to decision makers.

Our work provides oversight of Department organizations, programs, and operations; its operational efficiency, effectiveness, and vulnerabilities; assessments of cybersecurity; and determinations of the allowability, allocability, and reasonableness of the costs incurred by the Department's unique M&O contractors. These contractors operate the Department's National Laboratories and other operational facilities.



Investigative Reports and Information

We address alleged violations of law that impact Department programs, operations, facilities, and personnel. We prioritize suspected violations of criminal and civil statutes, as well as serious administrative misconduct. Our investigative findings provide fact-based evidence to officials with the authority to hold wrongdoers accountable.

We work closely with the Department of Justice and other Federal, state, and local law enforcement organizations, and make recommendations to Department officials to improve the economy and efficiency of programs and operations.



Suspension and Debarment Referrals

We refer matters to suspension and debarment authorities to help ensure program and operational integrity. These referrals also provide forward-looking protection to the rest of Government by rendering suspended or debarred

parties ineligible from engaging in new Federal Government grants, contracts, loans, and other legal agreements.



Outreach and Prevention

We conduct outreach to senior officials, Department employees, and non-governmental recipients of Department funds to raise awareness of risks to

Department programs and funding and to inform them of their obligations to report suspected wrongdoing to us.



Hotline Complaints

Our hotline facilitates the reporting and resolution of allegations received from Department employees, contractors, and the public. Allegations may lead to an investigation, audit, or inspection; referral to the Department for review and action; or referral to another Federal agency.



Whistleblower Protection

We take proactive steps to educate Department employees about their rights and responsibilities to report suspected wrongdoing and laws that prohibit retaliation for doing so, and we investigate allegations of retaliation.

The Sources of Our Work

Proactive Analysis

Data analytics

Human intelligence (professional judgment and institutional knowledge)

Risk analysis

Regulatory requirements

Leadership Requests

Congress

The Secretary and senior Department officials

Credible Allegations

Hotline complaints from employees, contractors, and the public

Disclosures made by whistleblowers

What We Review

Wrongdoing

Violations of criminal statutes

Violations of civil statutes

Administrative misconduct

Efficiency, Effectiveness, and Compliance

Financial transactions

Management and performance

Costs incurred by management and operating contractors

Security

Research security

Cybersecurity

Intelligence and counterintelligence activities

Risks and Priorities

We prioritize areas of high importance to our stakeholders and those that pose the greatest risk of financial loss or negative impact on the Department’s mission.

High Risks



Loans Three recent legislative actions expanded the Department’s total loan authority to more than \$400 billion. The loan packages are on an accelerated schedule. One category of loan guarantees worth an estimated \$250 billion will expire on September 30, 2026. Another category of loan guarantees worth an estimated \$40 billion will expire on the same date—\$290 billion over the next 3 years. There is no precedent in the Department for this level and pace of financing. Many of these loans are designed to promote innovation by financing projects not otherwise acceptable by private equity investors—projects the markets do not view as acceptable.



Procurement The Department is one of the largest civilian contracting agencies in the Federal Government, and it relies on contractors to execute much of its mission. In addition, the Department plans to spend an estimated \$65 billion of its approximately \$100 billion in supplemental appropriations through grants. Challenges in safeguarding procurement funds put them at risk of loss to fraud, waste, and mismanagement and jeopardize the mission.

Management and Operating Contracts The Department is the only Federal agency to use M&O contractors to run and oversee research and development centers. M&O contracts pose unique risks because they have less competition, broad scopes of work, and closer relationships between the contractor and Government. Until 2021, when the OIG took over audits of M&O contractor incurred costs, the risk of fraud and waste was compounded because the Department placed responsibility on the contractors for both certifying and auditing its own incurred costs.

Grants The Department reported that it selected \$32 billion in awards as of October 2023, since the inception of the IJA and IRA. This is a significant increase compared to \$3.9 billion in awards made in FY 2021, before the Department received supplemental funding. Risks include awarding funds to entities that: have not been thoroughly vetted; are not eligible under grant criteria; have foreign entanglements; or “double dip” from different Federal funding sources for the same project. Untested internal controls, lack of funding for oversight, the use of new funding vehicles, and insufficient data exacerbate these risks.



Research Security The Department engages in cutting-edge research that expands scientific knowledge, generates new technologies to address energy challenges, and strengthens national security by maintaining and modernizing the nuclear stockpile. This research is inherently vulnerable to the unauthorized transfer of intellectual property to foreign adversaries.



Cybersecurity The Department oversees critical energy infrastructure and nuclear programs, which necessarily involve complex information technology systems. Vulnerabilities in security over industrial control systems, cloud computing, and zero trust architecture create risks from access by foreign adversaries and others with potentially nefarious intentions.



\$500 Billion Environmental Liability The Department’s environmental liability continues to be a significant challenge. Decades of nuclear weapons production and nuclear energy research created dangerous radioactive sites, with thousands of contaminated facilities and contaminated soil and groundwater. The Department is responsible for about 83% of the Federal Government’s total estimated future environmental cleanup and waste disposal costs.

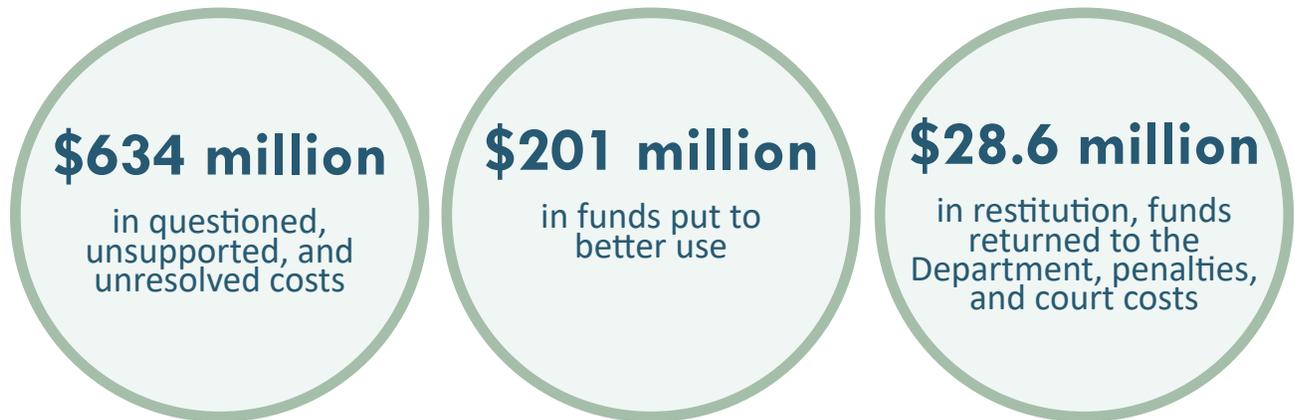


Atom and Eve. The Atom sculpture outside the Savannah River Site Museum. P.J. Perea Savannah River Ecology Laboratory, University of Georgia.

Source: <https://www.flickr.com/photos/51009184@N06/50327024192/in/album-72157715918729897/>

Our Impact: The Numbers

We identified approximately **\$864 million** in monetary findings from investigations, audits, inspections, and evaluations. This amount includes:



22,888 Cybersecurity vulnerabilities identified

76 Investigative cases closed

45 Reports issued

182 Recommendations for improvements

4661 Hotline complaints and inquiries

30 Administrative remedy referrals

Our Impact: Investigative Highlights



A red beacon shines indicating a magnetic field is present inside Hall D at the Thomas Jefferson National Accelerator Laboratory on Wednesday, Feb. 1, 2023. Source: <https://www.flickr.com/photos/jeffersonlab/52800475954/in/album-72177720306862579/>

The OIG’s investigative work addressed some of the highest-risk areas in the Department, including contracts, grants, and research security. It resulted in positive impacts for the Department and American public, including financial benefits, accountability for wrongdoing, and identification of wrongdoing that affected safety and security at the Thomas Jefferson National Accelerator Facility. This facility’s primary mission is to conduct basic research of the atom’s nucleus using the laboratory’s unique particle accelerator. This case in particular demonstrates that contract fraud has implications far beyond financial losses.

OIG Work Completed	Financial*	Accountability	Safety & Security
Contracts			
Civil False Claims Act settlement related to a vendor that allegedly submitted false claims for electrical connectors that failed to fully comply with applicable Government regulations and contract specifications	\$18 million settlement	Civil settlement	Failure to follow strict manufacturing and testing protocols undermines the reliability of equipment—such as tanks, fighter jets, missiles, and other equipment—for service members
A Department contractor provided unqualified labor under a Department contract	\$2.5 million returned to the Department	Repayment	
A Department procurement officer received a bribe in exchange for steering contracts to the contractor	\$1.8 million in restitution \$969,000 forfeited by the contractor	A public official, Department contractor, and procurement officer pleaded guilty	Defective contractor-supplied products caused nearly \$1.8 million in fire damage at the Thomas Jefferson National Accelerator Facility
Research Grants			
Scheme to defraud multiple Department research grants	\$4.65 million recovered to date	Sentenced to 32 months in prison	
A professor and his wife made false statements to obtain Department Small Business Technology Transfer grant awards and a grant from the National Science Foundation by failing to disclose pending support for their work from a university in the People’s Republic of China	\$2.1 million restitution \$10,000 fine	Sentenced to 27 months in prison	Failure to disclose support from foreign universities can leave the Department vulnerable to the unauthorized transfer of intellectual property to foreign adversaries
A grant recipient committed fraud and made false claims related to research grants	\$1.6 million in restitution	Sentenced to 42 months in prison	Fraudulent activities denied qualified applicants of fair opportunities and impacted program goals

*Items may include cumulative totals from prior years for ongoing cases.

Our Impact: Audit, Evaluation, and Inspection Highlights

The OIG’s audit, inspection, evaluation, and intelligence work addressed some of the highest-risk areas in the Department, including contracts and subcontracts, grants, and counterintelligence. It resulted in positive impacts for the Department and American public, including improved controls over inventory, contracts, and grants that have financial and national security implications.



Muon Resistive Plate Chamber in the PHENIX detector at Brookhaven National Laboratory's Relativistic Heavy Ion Collider.

Source: <https://www.flickr.com/photos/brookhavenlab/6642634563/in/album-72157613690851651/>

OIG Work Completed	Financial	Management	Safety & Security
Contracts and Subcontracts			
Brookhaven National Laboratory (BNL) lacked sufficient controls over its inventory, which created financial, safety, and security risks	<p>\$75 million in inventory items that should have been classified as sensitive inventory items were not classified as such</p> <p>\$183 million in inventory items that should have been classified as export-controlled, high-risk property items were not classified as such</p>	BNL, its operating contractor, and the Department will implement our recommendations to strengthen its controls over inventory	<p>More than 11,000 property items with potential impact on public safety, the environment, national security, or proliferation were not properly classified</p> <p>783 items that could impact U.S. economic interests or security were not appropriately classified as export-controlled</p>
An NNSA contractor failed to comply with contractual safety obligations	\$1.11 million in Department payments to the contractor for positions that were not filled	NNSA will ensure that requirements and performance expectations are clearly communicated and met by the contractor	Improper operations of NNSA facilities pose safety and health risks to contractor and Department employees
Grants			
The Office of Science did not ensure for-profit grantees were compliant with audit regulations, which increased the risk of fraud, waste, and abuse	<p>\$56.84 million questioned as unresolved costs pending audit</p> <p>Auditees who did not have the required audits performed have a higher risk of charging unallowable costs</p>	The Department plans to implement our recommendations to improve its oversight of for-profit grantees	
Intelligence			
Unauthorized access of records for members of the Executive Branch		The Department plans to implement our recommendations to help ensure that access to personally identifiable information is adequately controlled and counterintelligence investigations follow Federal requirements	The Department conducted counterintelligence evaluations on the President, Vice President, and other high-ranking Federal executives, in violation of Federal requirements; this violation increases the risk that personally identifiable information of high-ranking Federal executives will be compromised

FY 2023 Performance Results

This section contains leadership commitments and quantitative measures for OIG leaders to hold themselves and the organization accountable for achieving strategic goals and addressing external challenges.

✓ A check mark indicates that the commitment or quantitative target has been met.



Goal 1: Our People

Be an employer of choice by cultivating a diverse, skilled, and engaged workforce and fostering an inclusive, collaborative environment

✓ Demonstrated progress in developing and maintaining a proactive communication plan

✓ **Timely acknowledgment of employee excellence using OIG recognition programs**

The OIG takes pride in the excellence demonstrated by its staff. The OIG recognized 76 OIG employees with OIG Honorary Awards. Additionally, throughout the year, OIG program offices recognized employee excellence with “Special Act” and “On-the-Spot” awards. In FY 2023, CIGIE also recognized the OIG with four “Special Act” awards.

✓ **Implement actions to address items identified by the Federal Employee Viewpoint Survey; Diversity, Equity, and Inclusion Committee; Employee Council; or other mechanisms**



The OIG continues to glean insights from the Federal Employee Viewpoint Survey; Diversity, Equity, and Inclusion Committee; and the Employee Council. During FY 2023, based on feedback from our employees, the OIG implemented an “Ask the IG” tool and created a Department Reference Guide for both seasoned and new hires.

✓ **Conduct quarterly all-hands meetings, periodic town hall meetings, and site visits**

As part of our communications campaign, in FY 2023 OIG leadership committed to conducting quarterly all hands meetings, site visits, and town hall meetings.

All-Hands	December 2022 Virtual	March 2023 Virtual	May 2023 In-person	August 2023 Virtual	
October 2022 Pittsburgh, PA Savannah River, SC	December 2022 Oak Ridge, TN	February 2023 Richland, WA	March 2023 Lexington, KY	June 2023 Oak Ridge, CA	August 2023 Lexington, KY
Town halls and site visits			Additionally, senior leadership met with staff in the Washington, D.C. and Germantown, MD locations.		

FY 2023 Performance Results



Goal 1: Our People (continued)

Be an employer of choice by cultivating a diverse, skilled, and engaged workforce and fostering an inclusive, collaborative environment

✓ **Demonstrated completion of training and development plans for staff**

Measure	FY 23 Target	FY 23 Actual	FY 24 Target*
Staff who submit Individual Development Plans on time	94%	100%	95%
Annual performance plans established on time	94%	100%	95%
Annual performance appraisals completed on time	94%	100%	95%

✓ **Commitment to support staff in voluntary development programs**

The OIG showed its commitment to leadership development by investing in its future leaders. Key investments in FY 2023 included selecting staff to participate in both internal and external programs.



The OIG sent two GS-15s to the Federal Executive Institute’s Leadership for a Democratic Society program.



The OI ran a Leadership Development Program led by a program coordinator. In FY 2023, 14 staff participated, including 9 new members, in FY 2023. Activities included serving as Acting Assistant Special Agent in Charge (four participants), monthly leadership meetings, and projects such as developing proposals for proactive fraud investigations, updating policies, and modernizing program processes and forms.



The OA/ OIIS Leadership Development Program had 6 participants, each with a GS-15 mentor. Major accomplishments in FY 2023 included developing a mandatory training program for all Department personnel on reporting responsibilities to the OIG, working with the Department’s National Training Center and the Office of Chief Human Capital Officer to add it to the mandatory training schedule and Learning Nucleus; updating the OIG New Employee Handbook; developing a new OIG intranet site; developing and leading the OIG all-hand OA supervisory session; and other major projects.

FY 2023 Performance Results



Goal 2: Our Work

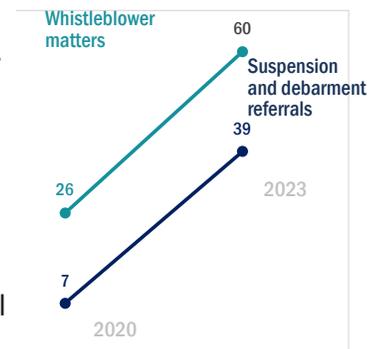
Conduct independent oversight to strengthen the integrity, economy, and efficiency of Department programs and to deter and detect fraud, waste, abuse, and mismanagement

✓ Percentage of high-impact written products delivered to stakeholders within established timeframes

Measure	FY 23 Target	FY 23 Actual	FY 24 Target
High-impact written products delivered to stakeholders within established timeframes	OIIS: 28%	OIIS: 57%	35% (all offices)
	Audits: 35%	Audits: 36%	
	CADA: 25%	CADA: 60%	
Cases closed after being open more than 365 days that have a reportable outcome	55%	90%	55%
Products issued that address top Management Challenges, Department high-risk areas, or OIG mission priorities	OIIS: 50%	OIIS: 100%	85% (all offices)
	Audits: 79%	Audits: 94%	
	CADA: 50%	CADA: 100%	
Cases opened that are in pre-established priority areas	78%	80%	90%
Discretionary reports that result in improvement in Department operations, programs, or projects as demonstrated by corrective actions taken during the engagement or the inclusion of findings, suggestions, or recommendations in the report	OIIS: 88%	OIIS: 100%	90% (all offices)
	Audits: 89%	Audits: 100%	
	CADA: 88%	CADA: 100%	
Hotline complaints processed for OIG leadership disposition decision within 14 days of receipt of complaint	90%	100%	95%
Initiate allegation-based inspections and whistleblower investigations within prescribed number of days of receiving complaints from the Hotline or any other contact with the OIG			within 60 days

✓ Ensure the Office of Counsel provides timely and legally sound assistance to OIG components

Over the past 3 years, the OIG has enhanced internal legal competencies in four areas to prevent, detect, and report wrongdoing. First, the OIG enhanced its capacity to handle whistleblower matters by improving processes to report wrongdoing. Second, the OIG enhanced its capability to provide support to the Department in its suspension and debarment function by referring parties to the Department for suspension and debarment consideration. The chart at the right quantifies the increased productivity and demand in these first two areas. Third, in response to increasing legal complexity in the OIG’s work, we expanded our capacity to provide internal legal counsel to the OIG’s program offices. And fourth, we hired certified ethics officials to provide independent ethics guidance to OIG employees.



✓ Demonstrated effective use of a team-based, cross-functional approach for oversight of the most challenging high-risk areas

In FY 2023, the OIG made significant strides toward our goal of breaking down functional OIG areas and working as cross-functional teams. Notably, the OIG worked successfully as cross-functional teams in these major strategic areas:



IJA and IRA oversight



Timekeeping fraud initiative



Research security initiative



Data analytics

FY 2023 Performance Results



Goal 3: Our Operations

Modernize OIG operations through innovation and technology

✓ Demonstrated increased capabilities and outcomes from deployment of innovative technology

Measure	FY 23 Target	FY 23 Actual	FY 24 Target
Number of proactive analytic projects using data to identify high-risk areas or areas of concern for further analysis and review by audits, inspections, or investigations	5	7	5

✓ Demonstrated strategic management of OIG organizational growth

Measure	FY 23 Target	FY 23 Actual	FY 24 Target
Develop an OIG operating budget within prescribed number of business days of enactment of the annual FY appropriation			30 days
Develop an OIG staffing plan within prescribed number of business days of enactment of the annual FY appropriation			30 days



Sandia National Laboratories solar tower.

The 200-foot solar tower rises against the backdrop of the snow-covered Monzano mountains.

Photo by Randy Montoya

Source: <https://www.flickr.com/photos/sandialabs/5857423064/in/faves-37916456@N02/>

FY 2023 Performance Results



Goal 4: Our Stakeholders

Enhance mission success through effective outreach, stakeholder engagement, and coalition building

The OIG committed to establishing an engaged and proactive dialogue with our stakeholders in OMB and with Department leadership. The OIG also takes every opportunity to educate our broad spectrum of stakeholders on the risks of fraud, waste, and abuse in Department programs, and employs prevention strategies and detection techniques.

- ✓ Demonstrated results in improved communications with external stakeholders
- ✓ Hold outreach meetings with the OMB and congressional committees on challenges, risks, successes, and opportunities

IG Donaldson testified three times before Congress

- March 29, 2023
Before the House Committee on Energy and Commerce, Subcommittee on Oversight and Investigations
- April 18, 2023
Before the House Committee on Oversight and Accountability, Subcommittee on Economic Growth, Energy Policy, and Regulatory Affairs
- April 19, 2023
Before the House Science, Space, and Technology Committee

OMB engagements We regularly meet with OMB to inform and build support for the OIG’s resource needs. In FY 2023, top OIG leadership communicated directly with the Director and Deputy Director of the OMB on multiple occasions to inform it of risks on the front end of program implementation. Additionally, the OIG made significant contributions to the OMB’s IJIA and IRA Joint Review Meetings. Led by the OMB’s Director of Office of Federal Financial Management and Deputy Controller, this Presidential initiative creates dialogue among the OMB, top Departmental management, and the OIG on proactive steps to prevent fraud, waste, and abuse early in the lifecycle of new major programs.

The OIG actively contributed to the following six Joint Review Meetings covering \$30 billion in program funds in FY 2023.

High Assay Low Enriched Uranium \$700,000,000	Energy Infrastructure Reinvestment Loans \$5,000,000,000	Domestic Manufacturing Conversion Grants \$2,000,000,000
	Civil Nuclear Credit Program \$6,000,000,000	
	DOT/DOE Joint Office of Energy and Transportation - Electric Vehicle Corridors \$7,500,000,000	
	Home Energy Rebates \$8,800,000,000	

- ✓ Engage with local, state, and Federal counterparts in the law enforcement community and oversight community to increase collaboration on casework

In FY 2023, the OIG continued to lead the CIGIE Working Group on the IJIA. IG Donaldson co-chairs this working group, which organizes an impactful coordination and outreach initiative to other Federal OIGs, as well as state, local, and tribal stakeholders. We led monthly meetings with 12 Federal OIGs that received IJIA appropriations; shared and compared oversight strategies and work to leverage the OIG community’s expertise to improve oversight; and oversaw, as a key part of this working group’s activities, a sub-working group that addresses communication and coordination with state, local, and tribal stakeholders. In this capacity, OIG leadership organized monthly meetings and has built meaningful bridges with the National Association of State Auditors, Controllers, and Treasurers; the GAO; the OMB; and other interested stakeholders.



Further, through our outreach campaign, OIG leadership presented at numerous professional conferences, grant fraud training events, and training seminars. Finally, the OIG had an active outreach effort with US Attorney offices throughout the U.S.

Source: The OIG

FY 2023 Performance Results



Goal 4: Our Stakeholders (continued)

Enhance mission success through effective outreach, stakeholder engagement, and coalition building

✓ Demonstrated results in improved communications with external stakeholders (continued)

Measure	FY 23 Target	FY 23 Actual	FY 24 Target
Number of fraud and cyber awareness briefings conducted to educate and inform Department employees, contractors, and grant recipients of the OIG mission and means of submitting allegations of fraud, waste, and abuse	79 briefings	156 briefings	79 briefings
Legal services provided in accordance with current law within established timeframes under the Whistleblower Protection Program	91%	100%	91%



Since the passage of the IIJA and IRA, we have increased our focus on delivering fraud prevention briefings. With about 40 individuals per session, over the past 2 years or so we have reached almost 10,000 individuals, including senior leaders in the Department, employees, grantees, and others responsible for IIJA and IRA funds.

255 outreach briefings reached **9,918 individuals**

Cumulative as of September 2023. One hundred and fifty-six of these briefings were delivered in FY 2023.

✓ Demonstrated results in improved communication with top Department leadership



Proactively coordinate and collaborate with Department leadership on the front end of oversight activities



Meet with Department leadership to address concerns or critical issues, share information, or clarify issues

In FY 2023, OIG leadership continued to meet regularly with Department leadership to discuss priorities, concerns, and solutions. For example, the OIG participated in 33 meetings with Department leadership on the risks associated with the IIJA and IRA.