

## Our Independence

### The Inspector General:

- Is nominated by the President and confirmed by the Senate, without regard to political affiliation and solely on the basis of integrity and demonstrated ability. An Inspector General may only be removed by the President, who must notify both Houses of Congress of the reasons for such removal.
- Has independent authority within the Department to initiate and conduct audits and investigations and to issue administrative subpoenas to individuals or entities outside the federal government in order to obtain full access to documents and records. The OIG also has access to all records, reports, papers, documents, and other materials available to the Department, as well as the authority to request information or assistance from any federal, state, or local government agency and to report any refusals to the agency head without delay.
- Is authorized to have direct and prompt access to the Secretary and Deputy Secretary of Labor for any purpose relating to the performance of the OIG's mission and responsibilities.

*"We proudly serve U.S. taxpayers, workers, and retirees by providing independent and objective oversight of departmental programs through audits and investigations, and by combating the influence of labor racketeering in the workplace."*

Scott S. Dahl  
U.S. Department of Labor  
Inspector General



United States Department of Labor  
**Report Fraud, Waste, and Abuse**

## Office of Inspector General U.S. Department of Labor



Call the Hotline  
202.693.6999 800.347.3756  
Fax: 202.693.7020  
[www.oig.dol.gov](http://www.oig.dol.gov)

The OIG Hotline is open to the public and to federal employees 24 hours a day, 7 days a week, to receive allegations of fraud, waste, and abuse concerning Department of Labor programs and operations.

OIG Hotline  
U.S. Department of Labor  
Office of Inspector General  
200 Constitution Avenue, NW  
Room S-5506  
Washington, DC 20210

Oversight • Integrity • Effectiveness

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## Who We Are

The Office of Inspector General (OIG) at the U.S. Department of Labor (DOL) conducts audits to review the effectiveness, efficiency, economy, and integrity of all DOL programs and operations, including those performed by its contractors and grantees. The OIG also conducts investigations relating to violations of federal laws, rules, or regulations, as well as investigations of allegations of misconduct on the part of DOL employees. In addition, the OIG has an external program function to conduct criminal investigations to combat the influence of labor racketeering and organized crime in the nation's labor unions.

The OIG was established at DOL by the Inspector General Act of 1978. The Congress created independent OIGs in response to a series of government scandals that had occurred over the preceding decade. The Congress believed that by establishing independent Inspectors General within each major federal agency, taxpayers' funds could be more prudently used and accurately accounted for; the government would be better equipped to prevent and detect fraud, waste, and abuse; and the public's confidence in the government would be enhanced.

## Our Mission

We serve the American workforce, DOL, and the Congress by providing independent and objective oversight of departmental programs through audits and investigations, and by combating the influence of labor racketeering in the workplace.

## Our Vision

We strive to enhance through our oversight DOL's ability to address emerging workforce challenges and foster a thriving work environment that values employees as our greatest asset.

## Audits

The **OIG's Office of Audit (OA)** conducts and supervises mandatory and discretionary audits relating to DOL's programs and operations. These audits are conducted in order to determine whether:

- programs and operations are in compliance with the applicable laws and regulations;
- DOL resources are being used efficiently and economically; and
- DOL programs are achieving their intended results.

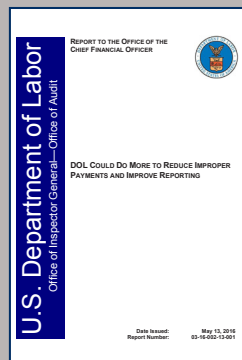
OA also assists the Inspector General in keeping the Secretary and the Congress fully informed and up-to-date about problems and deficiencies relating to DOL, as well as the need for, and progress of, corrective action.

### Mandatory Audits:

Mandatory audits are those required by law or regulation. For example, the Chief Financial Officers Act requires an annual audit of DOL's financial statements, which is our largest mandatory audit. Other mandatory audits relate to DOL's mission-critical information systems and the Job Corps program.

### Discretionary Audits:

After OA commits resources to all mandatory audits, it uses its remaining funds for discretionary audits. OA decides which discretionary audits to conduct based on a risk assessment that considers program dollar size, vulnerability to abuse, potential impact on the public, and prior audit and investigative history risk. These audits address all aspects of DOL's mission, including worker safety and health, job training, worker benefits, and worker rights. Additionally, OA responds to allegations of fraud, waste, and abuse from various sources.



## Our Audit Process

- **OIG audits begin with a notification letter to the auditee explaining the purpose of the audit and requesting an entrance conference to discuss objectives, methodology, and time frames for conducting the work.**
- **During the audit, we may examine documents, interview officials, inspect facilities, or analyze available data.**
- **After all evidence has been collected and analyzed, the audit team meets with the auditee to discuss the results. The audit team considers the auditee's comments and makes any needed adjustments to the report before issuing a formal draft report.**
- **After receiving a response from the auditee, the OIG issues the final report to the agency. Except for infrequent reports containing sensitive information, all audit reports are posted to the OIG website and shared with the Congress.**
- **After issuing the final report, we monitor agency progress in implementing recommendations for corrective actions.**



## Investigations

The **OIG's Office of Investigations** conducts criminal, civil, and administrative investigations relating to fraudulent activity, including in the following areas:



### Unemployment Insurance (UI) Program:

The OIG's UI investigations focus on well-organized street gangs who steal identities and fraudulently apply for UI benefits. The OIG also focuses investigative resources on fictitious employer schemes that involve the creation of companies that exist only on paper with no actual employees, business operations, or normal business expenses.

### Foreign Labor Certification (FLC) Programs:

The OIG's FLC investigations focus on the submission of falsified labor-related visa applications, which may deny U.S. citizens and law-abiding immigrants opportunities for employment or may threaten the security of the United States and its citizens.

### Office of Workers' Compensation (OWCP) Medical Provider Fraud:

Our investigations focus on healthcare providers (doctors, clinics, pharmacists, physical therapists, etc.) who fraudulently bill DOL for services, fraud associated with medical treatments, and unauthorized payments or kickbacks made to employers, providers, or claimants.

### Labor Racketeering:

The OIG's labor racketeering investigations focus on complex financial schemes used to defraud union and benefit fund assets, resulting in millions of dollars in losses to labor unions and plan participants. The schemes include embezzlement by sophisticated methods, such as fraudulent loans or excessive fees paid to corrupt union and benefit plan service providers. We work closely with DOL's Employee Benefits Security Administration (EBSA) and Office of Labor-Management Standards (OLMS) on labor racketeering matters that involve programs administered by EBSA and OLMS.

## Our Investigative Process

- **OIG investigations begin when we receive a complaint or referral regarding DOL programs, employees, contractors, or grantees, or regarding labor racketeering issues.**
- **Early in the process, we present criminal allegations to the U.S. Department of Justice (DOJ) for prosecutorial consideration. If DOJ accepts a matter for prosecution, we work closely with the department to determine the appropriate investigative steps.**
- **During the investigation, we may issue subpoenas, execute search warrants, analyze documents, and interview witnesses. Investigative techniques may also include consensual monitoring and undercover operations. Oftentimes we work jointly with other federal, state, and local law enforcement agencies.**
- **We also support criminal and civil trials as needed. When an investigation results in any judicial actions, we advise the DOL agency of the outcome for its consideration of potential administrative action, suspension, or debarment.**
- **For noncriminal matters, an administrative investigation may be initiated. Upon completion of our investigation, we will refer the matter to the DOL agency for any appropriate corrective or disciplinary action.**

