

ATTACHMENT A: AGENCY'S RESPONSE TO MEMORANDUM

U.S. Department of Labor

Occupational Safety and Health Administration
Washington, D.C. 20210



MAR 11 2020

MEMORANDUM FOR: ELLIOT P. LEWIS
Assistant Inspector General for Audit

FROM: LOREN SWEATT *Loren Sweatt*
Principal Deputy Assistant Secretary

SUBJECT: Response to the Office of Inspector General's Report No. 22-20-006-10-001, "Review of the Occupational Safety and Health Administration's Referral to and Reclamation of Debt from the U.S. Department of the Treasury"

Thank you for the opportunity to provide comments on the Office of Inspector General (OIG) Audit Report No. 22-20-006-10-001, "Review of the Occupational Safety and Health Administration's Referral to and Reclamation of Debt from the U.S. Department of the Treasury." OSHA appreciates the efforts the OIG undertook to develop this report.

OSHA acknowledges there were some instances in which its debt collection actions did not adhere to procedures specified in OSHA's Field Operations Manual (FOM) and the Debt Collection Improvement Act of 1996 and is committed to complying with applicable debt collection procedures in an effective and efficient manner. The Agency is working aggressively to rectify the identified concerns through a review of existing processes, procedures, policies and documentation.

OSHA notes that some of the failures identified were not within the agency's control. For example, Fiscal Services indicated it would resolve the technical problem identified in October 2017 related to Fiscal Service's Cross-Servicing Debt Collection. Fiscal Service was unable to rectify the incompatibility issue that required OSHA to modify the OSHA information System file format. Please see the attached Department of Treasury Inspector General Report outlining the issue.

With regard to the recommendations made by OIG, OSHA concurs and will work to rectify the deficiencies identified. The following outlines how OSHA will correct issues identified by OIG.

Recommendation 1: Develop and implement a monitoring control policy to ensure delinquent debts are referred to Treasury for collection as required by the Debt Collection Improvement Act.

OSHA's Response: Debt Collection Accountability Team (DCAT) will send bi-weekly emails to the Regional Debt Collection Points of Contact (POC) and attach the OIS Debt Collection Report that identifies upcoming and overdue cases that need to be referred to the National Office or require some other debt collection action. The Regional POC will work with the Area Offices to ensure cases are being reviewed and necessary actions are taken to move the cases forward in the debt collection process. The Regional POC will also provide updates to DCAT on actions taken.

Recommendation 2: Develop and implement a monitoring control policy to ensure DCAT notifies the Area Office on the status and follow-up actions required of recalled debt.

OSHA's Response: DCAT will update Area Offices on the status of, and follow-up actions required for returned debt. These updates will be provided by email as cases are returned. DCAT will also use bi-weekly reports to identify cases that have not been updated with a close date and will send an additional email notification regarding those cases. DCAT is exploring options to have OIS send automated notifications to Area Offices for returned debts.

Recommendation 3: Revise OSHA's Debt Collection Procedures to comply with OMB Circular A-129.

OSHA's Response: OSHA's Debt Collection Procedures found in the FOM calls for debts to be recalled after they become three years delinquent. OSHA intends to update the FOM to comply with OMB Circular A-129 guidance which states that debts will be recalled when they are two years delinquent.

Recommendation 4: Develop and implement policies and procedures to report on the status of debt in the Treasury Report on Receivables.

OSHA's Response: OSHA follows the policies and guidance of Treasury's Instructional Workbook for Preparing the Treasury Report on Receivables and Debt Collection Activities, which is a supplement to the Treasury Financial Manual Volume 1 Part 2 Chapter 4100.

Thank you again for the opportunity to respond to OIG's audit and ways to improve OSHA's debt collection management process.

ATTACHMENT