

The seal of the Farm Credit Administration is centered in the background. It features an eagle with wings spread, perched atop a shield with vertical stripes and a crest of stars. The shield is flanked by olive branches. The outer ring of the seal contains the text "FARM CREDIT ADMINISTRATION" at the top and "ESTABLISHED 1933" at the bottom, with stars on either side.

**THE FCA INSPECTOR GENERAL:
A COMMITMENT
TO PUBLIC SERVICE**



FORWARD

I am pleased to introduce the mission and authorities of the Office of Inspector General for the Farm Credit Administration. I hope this pamphlet will enhance your understanding of the OIG's mission and responsibilities and highlight our commitment to public service.

For more than twenty-five years, our office has provided independent and objective oversight of the Farm Credit Administration by conducting audits, inspections, and investigations of Agency programs and operations. We strive to keep the Agency, the Congress, and the public fully informed of our activities as we act as an agent of change by promoting economy and efficiency and preventing and detecting fraud, waste, abuse, and mismanagement. We also strongly support the protections afforded to complainants and whistleblowers under the Inspector General Act and whistleblower protection statutes.

As the Office of Inspector General for the Farm Credit Administration, we believe that together, we can lead improvement responsively and proactively, as we work to build a more efficient and more productive government.

Elizabeth M. Dean
Inspector General

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OIG MISSION, RESPONSIBILITIES, AND ORGANIZATION

Mission

The Office of Inspector General provides independent, objective oversight authority for the Farm Credit Administration (FCA or Agency). In conducting audits, inspections, and investigations of Agency programs and operations, the OIG acts as an agent of change in promoting economy and efficiency, and preventing and detecting fraud, waste, abuse, and mismanagement.

Responsibilities

The FCA OIG was established within FCA in 1989, under amendments to the Inspector General Act (IG Act). The IG Act grants significant statutory authorities that are key to the OIG's ability to conduct audits, investigations, and inspections. These authorities include:

- Dual reporting responsibilities to both the Board and to the Congress on the results of OIG audits, investigations, and inspections.
- Independent personnel, contracting and budget authority.
- Unfettered access to all records, reports, audits, reviews, documents, papers, recommendations or any other material available to FCA entities and employees.
- Subpoena authority to require the production of records from nonfederal entities.

Organization

The IG Act requires that the FCA OIG be headed by an Inspector General appointed by the FCA Board based solely on integrity and demonstrated ability, and without regard to political affiliation. OIG staff also includes Counsel, Senior Auditors, Senior Information Technology Auditor, and an Administrative Assistant.

ACCESS TO INFORMATION

One of the OIG's key authorities includes its unfiltered access to information under the IG Act, as follows:

- **FCA Information**: OIG has access to all records, reports, audits, reviews, documents, papers, recommendations, and any other material available to the FCA. IG Act, section 6(a)(1)
- **Other Information**: OIG can issue subpoenas to obtain documents from sources outside the Federal government. IG Act, section 6(a)(4)
- **Oaths**: OIG can administer or take from any person an oath, affirmation, or affidavit, whenever necessary in the performance of the functions assigned by the Act. IG Act, section 6(a)(5)
- **Access to the FCA Board**: OIG has direct and prompt access to the head of the Agency when necessary for any purpose pertaining to the performance of functions and responsibilities under the Act. IG Act, section 6(a)(6)

AUDITS, INSPECTIONS, AND EVALUATIONS

What is an Audit?

An audit is an independent, formal, and methodical examination of an organization, program, function, or activity. Our audits are required to comply with [Government Auditing Standards](#) (referred to as the Yellow Book) promulgated by the Government Accountability Office.

What is an Inspection and Evaluation?

Generally, inspections and evaluations are reviews of a more limited scope than audits. Many OIG offices use the terms inspection and evaluation interchangeably and both are performed in accordance with the [Quality Standards for Inspection and Evaluation](#) issued by the Council of the Inspectors General on Integrity and Efficiency (CIGIE). In this brochure, we refer to Inspections as including Evaluations.

What are the Specific Types of Audits and Inspections?

Financial Audit - This includes financial statement audits and other reviews relating to FCA's financial operations.

Performance Audit - This includes economy, efficiency, and program reviews that examine various matters, including whether FCA is using property, space, and personnel resources economically and efficiently; FCA's effectiveness in its programs, activities, and functions; compliance with significant laws and regulations; etc.

Inspection - Inspections evaluate selected FCA administrative and program operations. They focus on whether management controls, practices, processes, and procedures are in place, adequate, and effective.

In addition to reviews resulting from statutory requirements such as the Federal Information Security Management Act of 2002, [Public Law 107-347, Federal Managers Financial Integrity Act](#), 31 U.S.C. § 3512, and the [Government Performance and Results Act of 1993](#), Public Law 103-62, the OIG conducts systematic reviews that often include audits or inspections of:

- potential program vulnerabilities to fraud, waste, abuse, and mismanagement;
- management planning;
- FCA information security programs;
- FCA's ability to protect and safeguard its resources; and
- financial statements and related activities, including contracting.

How Does the OIG Decide What to Audit or Inspect?

The OIG annually develops a 2-year Audit Plan that outlines the OIG's audit and inspection plans for the next two fiscal years, plus out years. The plan includes issues that may pose a risk to FCA's mission, and also reflects interests of the FCA Board, Congress, and other stakeholders. The Audit Plan is not a static or binding document, it is therefore reevaluated at least annually, to ensure the OIG is responding effectively to the needs of the FCA Board, Congress, and FCA stakeholders.

How Does the OIG Document Its Audit and Inspection Findings?

The results of OIG audits and inspections are documented in reports that reflect the objectives, scope, findings, conclusions, and recommendations and/or agreed-upon actions resulting from the review. The OIG issues these final audit and inspection reports to the FCA Board and to the accountable FCA manager(s). Final reports are generally public documents and posted on OIG's web site at [Inspector General Reports](#).

OIG also provides summaries of all of its reports in its *Semiannual Reports to the Congress*.

INVESTIGATIONS

What is an OIG Investigation?

An OIG investigation is a planned, systematic search for relevant, objective evidence derived from individuals, documents, tangible objects, and data. The goal of an investigation is to determine the truth or the falsity of matters alleged.

What Does the OIG Investigate?

The Counsel to the Inspector General directs the OIG investigative program which includes criminal, civil, and administrative investigations. The OIG's investigative jurisdiction extends to all matters relating to fraud, waste, abuse, and mismanagement by FCA employees, contractors, and others in relation to FCA programs and operations. The FCA OIG has therefore investigated various types of violations, including theft, embezzlement, and misuse of Government funds and property; unauthorized destruction of Government records; false claims; prohibited personnel practices; ethical violations; mismanagement, fraud, waste of Government funds; and abuse of authority relating to FCA's programs and operations.

How is an Investigation Initiated?

Investigations start with the OIG's receipt of a complaint or information regarding wrongdoing. Most complaints come from FCA employees, and these complaints are effective because FCA employees are often in the best position to observe wrongdoing in FCA programs and operations. Federal guidelines also require government employees to report violations of law and regulations.

How Do I Report Wrongdoing?

Report allegations directly to the OIG or through your supervisor:

- Directly to the OIG: By telephone at 703-883-4030; in writing to the Inspector General, Farm Credit Administration, 1501 Farm Credit Drive, Rm. 2600, McLean, VA 22102; by e-mail at fca-ig-hotline@rcn.com; or by calling the OIG HOTLINE at 1-800-437-7322 or 703-883-4316.

Hotline: 800-437-7322 or 703-883-4316
TTY 703-883-4359, FAX 703-883-4059
fca-ig-hotline@rcn.com

- Through your Supervisor: Agency managers and supervisors are responsible for ensuring that allegations of wrongdoing that they receive are promptly reported to the OIG.

What Should I Report? When reporting an allegation, try to include the following information when possible:

- a brief, accurate statement of facts believed to show wrongdoing, including relevant dates;
- how you became aware of the information;
- names, addresses, and office locations of pertinent individuals and organizations;
- contracts, invoice numbers, or other related documents; and
- names, addresses, office locations, and telephone numbers of others who may have information about the suspected wrongdoing.

Employees should not engage in any independent inquiry or investigation and should not discuss the matter with anyone, including the persons suspected of wrongdoing.

How Am I Protected If I Make An Allegation? You may make an allegation to the OIG anonymously and the OIG Hotline e-mail account (fca-ig-hotline@rcn.com) is not connected to the FCA network. However, anonymous allegations may lack the specificity needed to fully investigate. If you identify yourself in a complaint, your name will not be revealed unless the IG determines the disclosure is unavoidable.

Reprisal and retaliation for reporting wrongdoing are prohibited by Federal law and regulations. No action may be taken against you for reporting a complaint or disclosed information to the OIG.

If you believe you are being retaliated against for disclosing alleged wrongdoing or mismanagement, contact the Office of Special Counsel (OSC). The OSC enforces whistleblower protections and certain other improper personnel actions within the Federal government. You may contact OSC toll free at 800-872-9855 or at www.osc.gov.

What Happens During an Investigation?

Investigative activities include examining records such as files, contracts, vouchers, reports, and memoranda. The OIG also interviews witnesses, technical experts, and the subjects of investigations. Information obtained is documented in records of interviews and by affidavits sworn under oath. The OIG has adopted [Quality Standards for Investigations](#) issued by CIGIE as guidance for its investigative activity.

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fca-ig-hotline@rcn.com

Can FCA Employees be Interviewed?

Your Obligations

FCA employees may be interviewed by the OIG during an investigation. Most employees voluntarily consent to interviews and fully cooperate by supplying information and documents within their control. Everyone shares responsibility to combat fraud, waste, abuse, and mismanagement, and the OIG depends on the cooperation of all FCA employees in its oversight mission. Employees who do not consent to an interview may be required to participate. Employees who disobey such an order are subject to disciplinary action. If you are interviewed, you must be truthful.

Your Rights

Before beginning an interview, the OIG counsel/investigators will state the nature and purpose of the interview. When appropriate, the OIG will give you information about your rights including remaining silent and obtaining legal counsel.

If you request legal representation you are entitled to a reasonable amount of time to arrange this representation. Legal or other representation is at the expense of the individual employee, and the role of the legal or other representative is to provide counsel or advice, not to answer questions on behalf of the employee. Representatives are also not permitted to disrupt the interview or the investigation.

How Does OIG Document An Investigation?

The OIG will issue an investigative report summarizing the facts and evidence developed in the investigation. These reports rarely recommend specific disciplinary action.

The OIG will refer criminal matters to the U.S. Department of Justice and State attorneys general as appropriate for prosecution. OIG will also refer its investigative reports to FCA officials who will evaluate them for administrative action. Investigative reports are sensitive documents and the Privacy Act and the Freedom of Information Act closely restrict their distribution. The IG also recommends corrective action and reports on progress made in the implementation of such actions; refers criminal matters to appropriate agencies.

If FCA officials determine that administrative action is appropriate, they should consult with the Office of General Counsel and the Director, Office of Management Services before initiating discipline. FCA officials also must follow-up with the OIG by:

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- within 60 days of receiving the investigative report, advising the OIG on any action to be taken in response to the report findings; and,
- providing 30-day progress reports to the OIG thereafter until the matter is concluded.

OIG SURVEYS: OVERSIGHT

Highlighting the role as the IG for a regulatory agency, the OIG sends surveys to Farm Credit System institutions following safety and soundness examinations and other interactions with FCA examiners. The results of these surveys, evaluating the quality of the examination work and examiner interactions, are summarized without attribution on a quarterly basis. The OIG uses these survey results as one of its oversight tools for evaluating risk and specific areas for further OIG review. The OIG also issues a summary report on survey results at the end of each fiscal year to the Office of Examination Chief Examiner and the FCA Board for use as a measuring tool.

REGULATORY COMMENTARY

The OIG reviews proposed legislation, regulations, directives, and policies that affect FCA's programs and operations. The OIG then comments on these proposals in "Regulatory Commentaries," noting vulnerabilities and providing objective analyses. These OIG Commentaries help FCA evaluate the impact of draft legislation, regulations, policies, etc., on economy and efficiency. Although the OIG does not always require a formal reply from the Agency, significant observations regarding action or inaction by the Agency are reported in OIG's *Semiannual Reports to the Congress*.

OIG MANAGEMENT OBSERVATIONS AND ADVISORIES

The OIG uses other reporting mechanisms, such as Management Observations and Advisories, to alert FCA leadership of new issues or emerging concerns. In the past, the OIG has issued Management Advisories on issues relating to conference spending, record retention, and Farm Credit Administration policies. These time sensitive reporting mechanisms allow the OIG to keep the Agency well-informed on issues in order to deter fraud, waste, and abuse, and ultimately, enhance the safety and soundness of the Farm Credit System through timely oversight.

OIG SEMIANNUAL REPORT TO THE CONGRESS

The IG Act requires each Inspector General to prepare a semiannual report summarizing its activities during the 6-month periods ending March 31st and September 30th of each year. The report is submitted to the head of the Agency (FCA Board), which may comment on the report, but cannot change it. Within 30 days of receipt, the FCA Board must transmit the OIG's report to the Congress together with management's report on the status of audit and inspection recommendations and agreed-upon actions; and with any remarks the FCA Board wishes to make.

HOW CAN YOU HELP?

As stated throughout this brochure, the OIG's success depends in large part on its work with FCA employees. The OIG relies heavily on employee cooperation to perform its audit, investigative, and inspection mission. Agency managers and supervisors are also responsible for ensuring that allegations of wrongdoing they receive are promptly reported to the OIG.

You can help the OIG accomplish its mission by reporting improper activities at the FCA, and we strongly encourage persons who suspect fraud, waste, abuse, or mismanagement to call, write, e-mail, or visit the OIG as follows:

- By Telephone: You may contact the OIG directly at 703-883-4030, or by calling the OIG HOTLINE at 1-800-437-7322 or 703-883-4316.
- In Writing/Email: You may also write to the OIG, Farm Credit Administration, at 1501 Farm Credit Drive, Rm. 2600, McLean, VA 22102; or send an email to the OIG at: fca-ig-hotline@rcn.com.

We appreciate the cooperation of all FCA employees and know that together, we can ensure a continuous dialogue that will lead the FCA OIG in its fight against fraud, waste, abuse, and mismanagement.

REPORT

Fraud | Waste | Abuse | Mismanagement



FARM CREDIT ADMINISTRATION OFFICE OF INSPECTOR GENERAL

Phone: Toll Free (800) 437-7322; (703) 883-4316

Fax: (703) 883-4059

E-mail: fca-ig-hotline@rcn.com

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