



## Department of Energy

Washington, DC 20585

July 31, 2012

The Honorable Jon T. Rymer  
Inspector General  
Federal Deposit Insurance Corporation  
3501 Fairfax Drive  
Arlington, Virginia 22226

Subject: Report on the Quality Assessment Review of the Investigative Operations of the  
Office of Inspector General for the Federal Deposit Insurance Corporation

Dear Mr. Rymer:

We have reviewed the system of internal safeguards and management procedures for the investigative operations of the Office of Inspector General (OIG) for the Federal Deposit Insurance Corporation (FDIC) in effect for the period September 9, 2009, through June 22, 2012. Our review was conducted in conformity with the Quality Standards for Investigations and the Quality Assessment Review Guidelines established by the Council of the Inspectors General on Integrity and Efficiency (CIGIE), and the Attorney General's Guidelines for Office of Inspectors General with Statutory Law Enforcement Authority, as applicable.

We reviewed compliance with the FDIC OIG's system of internal policies and procedures to the extent we considered appropriate. The review was conducted at the headquarters office in Arlington, VA, and field locations in New York, New York, and Chicago, Illinois. The FDIC OIG's Electronic Crimes Unit was also reviewed. Additionally, we sampled 20 case files for investigations closed during the previous 12-month period.

In performing our review, we have given consideration to the prerequisites of Section 6(e) of the Inspector General Act of 1978, as amended (IG Act), and Section 812 of the Homeland Security Act of 2002 (Pub.L. 107-296). Those documents authorize law enforcement powers for eligible personnel of each of the various offices of presidentially-appointed Inspectors General. Those powers may be exercised only for activities authorized by the IG Act, other statutes, or as expressly authorized by the Attorney General.

In our opinion, the system of internal safeguards and management procedures for the investigative function of the FDIC OIG in effect for the year ending June 22, 2012, is in compliance with the quality standards established by the CIGIE and the applicable Attorney General guidelines. These safeguards and procedures provide reasonable assurance of conforming with professional standards in the planning, execution and reporting of its investigations.

Please thank your staff for their cooperation and professionalism during this review. If you have any questions, please contact me at (202) 586-9939.

Sincerely,

John R. Hartman  
Deputy Inspector General  
for Investigations

Attachment

cc: U.S. Department of Justice, Office of the Attorney General  
Carl W. Hoecker, Chair, Investigations Committee, CIGIE

**July 31, 2012**

**REPORT ON THE QUALITY ASSESSMENT REVIEW  
OF THE INVESTIGATIVE OPERATIONS  
FOR THE  
OFFICE OF INSPECTOR GENERAL  
FEDERAL DEPOSIT INSURANCE CORPORATION**

**Prepared by the  
Office of Inspector General  
U.S. Department of Energy**

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**Attachment 1**

**Offices Visited**

<u>Office Location</u>	<u>No. of Personnel Interviewed</u>
Arlington, VA	2
Electronic Crimes Unit, Arlington, VA	2
New York, NY	2
Chicago, IL	2

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## Attachment 2

### List of Closed Investigative Files Reviewed

We selected a sample of investigative cases to assess the FDIC OIG's consistency in practices regarding the topics identified in the CIGIE questionnaires and checklists. The cases reviewed were closed between May 1, 2011, and April 30, 2012. In accordance with CIGIE guidelines, we selected 20 cases for review<sup>1</sup>. The list of cases reviewed appears below:

<u>Case File Number</u>	<u>Case Closing Date</u>
A208-012	02/29/12
C204-013	03/30/12
C206-002	03/21/12
C207-025	09/07/11
C207-039	08/01/11
C209-005	08/10/11
C209-023	01/28/10
C211-007	01/04/12
C211-008	02/15/12
C211-021	12/14/11
D209-003	03/15/12
H210-003	06/30/11
K203-013	07/22/11
N207-028	09/29/11
N207-029	06/30/11
N208-004	06/29/11
N208-015	06/29/11
N209-003	03/30/12
N210-010	06/29/11
S209-003	06/28/11

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<sup>1</sup> Pursuant to the closed case file review, although we selected 20 cases, only 18 closed cases were reviewed. One of the 20 cases selected (H210-003) contained grand jury materials. The other case (K203-013) was found to be physically located in FDIC OIG's Kansas City office. In both instances, there were no alternative cases available for review at the time. Based on the review of the remaining 18 cases, it was determined that sufficient conclusions could be drawn as to the adequacy of FDIC OIG's performance. In addition, the CIGIE guidelines indicated a sample size of 20 cases for a population of up to 100 cases. FDIC OIG had 63 closed cases, just beyond the middle of the identified population size.



## Department of Energy

Washington, DC 20585

July 31, 2012

The Honorable Jon T. Rymer  
Inspector General  
Federal Deposit Insurance Corporation  
3501 Fairfax Drive  
Arlington, Virginia 22226

Subject: Letter of Observations on the Investigative Operations of the Office of Inspector General for the Federal Deposit Insurance Corporation

Dear Mr. Rymer:

This is a supplement to our *Report on the Quality Assessment Review of the Investigative Operations of the Office of Inspector General (OIG) for the Federal Deposit Insurance Corporation (FDIC)*, dated July 31, 2012. In addition to reporting a rating of compliant, the peer review team identified an area for improvement or increased efficiency or effectiveness. Specifically, we observed that for the years 2009, 2010 and 2011, FDIC OIG had not made or submitted an annual written report to the Attorney General due each year on November 1<sup>st</sup> in accordance with the standards established by the Attorney General Guidelines for Offices of Inspector General with Statutory Law Enforcement Authority. Upon discovery, your investigative office immediately took action to correct the issue by contacting the Department of Justice and submitting the missing reports. In addition, your investigative office took actions to ensure that future reports will be submitted each year in a timely fashion. The peer review team greatly appreciated the immediate action taken.

Please thank your staff for their cooperation and professionalism during this review. If you have any questions, please contact me at (202) 586-9939.

Sincerely,

John R. Hartman  
Deputy Inspector General  
for Investigations