



UNITED STATES DEPARTMENT OF COMMERCE
Office of Inspector General
Washington, D.C. 20230

May 5, 2023

The Honorable Morgan Griffith
Chairman
Subcommittee on Oversight and Investigations
United States House of Representatives
Washington, DC 20515

Dear Chairman Griffith:

Enclosed are Department of Commerce Inspector General Peggy E. Gustafson's responses to Questions for the Record following the subcommittee's March 29, 2023, hearing.

Please contact me with any questions.

Very Respectfully,

A handwritten signature in black ink, appearing to read "David Wonnenberg".

David Wonnenberg
Senior Legislative and External Affairs Officer

cc: Ranking Member Kathy Castor, Subcommittee on Oversight and Investigations

Enclosure

Department of Commerce Inspector General Peggy E. Gustafson Responses to Post-Hearing Questions for the Record from the Honorable Dr. Michael Burgess

1) What did you identify as the biggest misuse or waste of federal funds?

Inspector General Gustafson Response

In our semi-annual reports to Congress, we identify potential monetary benefits, such as questioned costs and funds to be put to better use. Since the beginning of Fiscal Year 2022, we have identified more than \$342 million in questioned costs: \$38 million from ineffective contract and grant oversight and \$304 million from inefficient program management.

In addition, through our investigative work and collaboration with other federal, state, local and tribal partners, we recovered more than \$5.5 million in fines, restitutions, settlements, judgments, and administrative remedies associated with Commerce activities over the past 2 years.

2) What oversight mechanisms can Congress put in place to ensure this waste does not happen again?

Inspector General Gustafson Response

I am grateful that Congress continually demonstrates consistent support for the Department of Commerce Office of Inspector General's budget through our annual appropriation. We take great pride in our strategic approach to defining our budget requests and look forward to continuing this effective relationship. This support allows us to focus resources on priority areas with a goal of improving the efficiency and effectiveness of Commerce's programs and operations while detecting and deterring waste, fraud, abuse, and violations of law.

Through our audit and evaluation findings and recommendations, we regularly identify the need for the Department and its bureaus to ensure programs develop and meet hiring plans to attain proper staffing levels with appropriate skillsets. Such steps are critical to effectively administer programs, develop comprehensive oversight strategies, and handle the resources provided by Congress, including ensuring that notices of funding opportunity (NOFOs) are properly prepared. Implementing these efforts can assist the Department and its bureaus to operate optimally.