



Working Together: Financial and Performance Auditing

NOAA's Office of Fisheries Enforcement
Asset Forfeiture Fund and Fisheries Enforcement

Pacific Northwest Intergovernmental Audit Forum

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Office of Inspector General

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Background

- Within the U.S. Department of Commerce, the National Oceanic and Atmospheric Administration (NOAA) is responsible for the stewardship of the nation's living marine resources and their habitat.



Background

- NOAA's Office of Law Enforcement (OLE) protects marine wildlife and habitat by enforcing domestic laws and international treaty requirements. The agency's special agents and enforcement officers ensure compliance with the nation's marine resource laws and take enforcement action when these laws are violated.



Why We Conducted Reviews

Editorial: NOAA's wrongful police actions can't be left without remedy

Congressmen assail NOAA fishing enforcement at Gloucester

By Terry Weber/Correspondent

New Bedford mayor urges fishing industry to boycott NOAA forum

By [Steve Urbon](#)
surbon@s-t.com
April 21, 2010 12:00 AM

NOAA agent's cash demand draw ethics fire

The two congressmen who last week grilled federal oceans law enforcement chief Dale Jones about findings of his agency's wrongdoing against the fishing industry during a field hearing at Gloucester's City Hall have stepped up their push for answers — and financial documents.



Why We Conducted Reviews

Congress of the United States
Washington, DC 20515

May 1, 2009

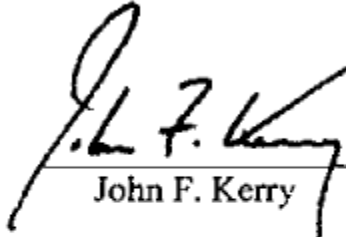
The Honorable Jane Lubchenco
Administrator
National Oceanic and Atmospheric Administration
Room 5128
14th and Constitution Ave, NW

We understand, for example, that forty percent of Notice of Violation and Assessment fines of \$50,000 or more assessed by OLE between 2006 and 2008 are permit, reporting, and documentation violations. These kinds of violations, which do not always bear directly on preserving the fishing resource, may be difficult to avoid in a fishery with the complexity of regulations that exists in New England. However, a fine of tens of thousands of dollars could

With respect and appreciation, and we thank you for considering this request.

Sincerely,


Edward M. Kennedy


John F. Kerry


John F. Tierney


William D. Delahunt


Barney Frank



What Did We Do

- Conducted two coordinated reviews
 - A program evaluation focusing primarily on the agency's adherence to the rules conducted by an OIG performance audit team
 - An evaluation primarily focused on financial issues related to the asset forfeiture fund was conducted by our Financial Statements Division
 - The financial related team contracted with KPMG to conduct a forensic review of the fund's expenditures
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What Did We Do

- Both teams were comprised of auditors with significant financial audit experience and significant performance audit experience



Challenges

- Coordination was critical
 - Met with many of the same agency players
 - Needed many of the same documents
 - Many facts and implications in the financial leaning review were similar to those in the performance review
 - Briefings with the Inspector General often attended by both teams



Advantages

- Ability to discuss highly complex program with knowledgeable colleagues not on the project
 - Used external CPA firm to perform part of the review
 - Ability to value findings as cost savings and funds put to better use
 - Ability to approach the asset forfeiture fund from a hybrid position
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Some of What We Found

- **Asset Forfeiture Fund**
 - NOAA lacks appropriate controls to ensure that all proceeds from fines, penalties, and forfeitures are received and accurately recorded; and
 - The agency has not accurately recorded or adequately pursued the total amount owed for fines and penalties.
 - Some issues were recommended for further review



Some of What We Found

- Fisheries Enforcement
 - Regional and national priorities for office of law enforcement have not been finalized
 - NOAA's placement of the compliance liaison within the office of law enforcement raises independence concerns
 - NOAA's workforce analysis is one year behind schedule.
 - This review catapulted us into other fisheries related work, including rulemaking.



For More Information

- Go to:
 - [OIG Fisheries Enforcement Reading Room](#)
 - [OIG Rulemaking Report](#)