OFFICE OF INSPECTOR GENERAL
U.S. DEPARTMENT OF COMMERCE

FY 2027 Congressional Submission

DEPARTMENT OF COMMERCE
OFFICE OF INSPECTOR GENERAL
Budget Estimates, Fiscal Year 2027
Congressional Submission

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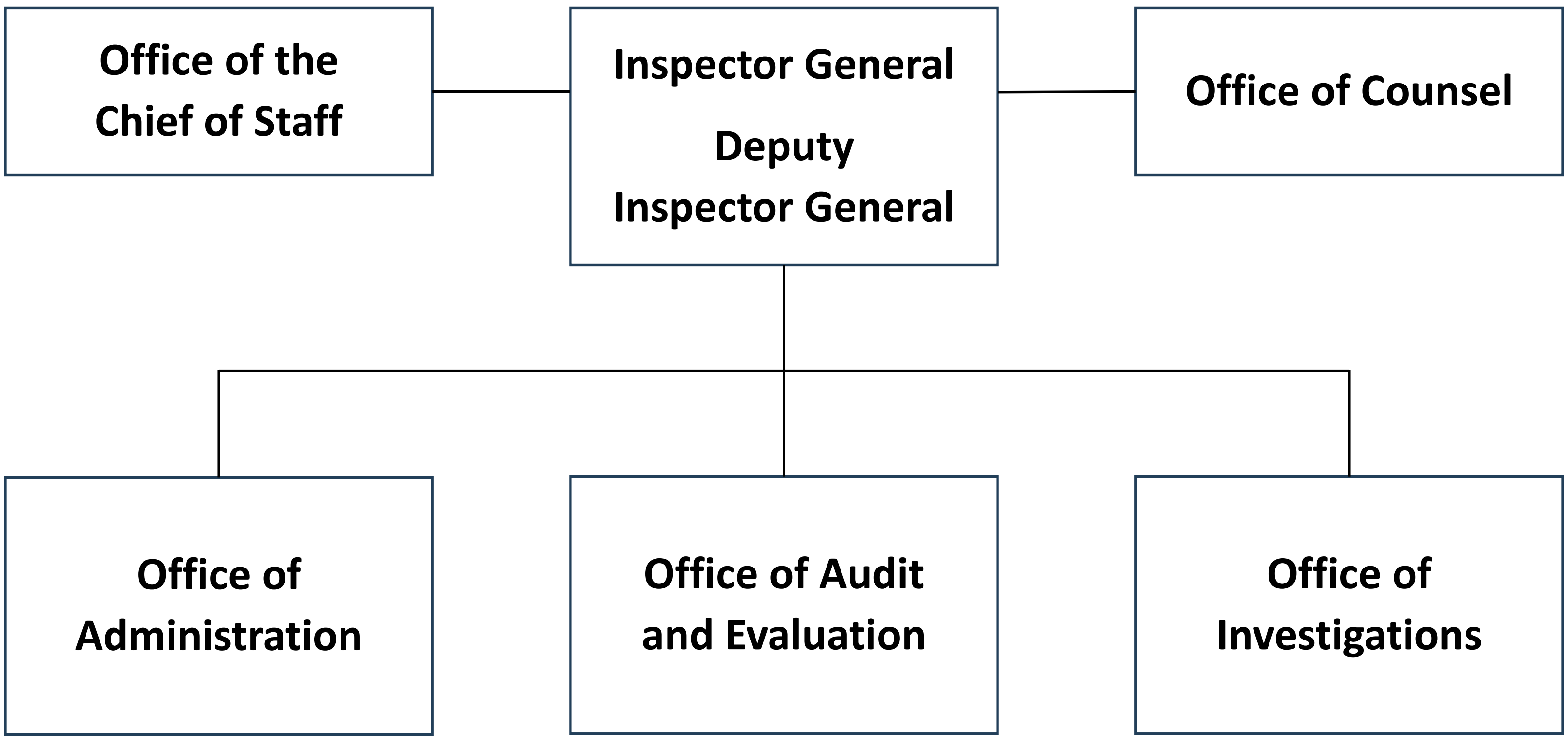
Exhibit 2

Department of Commerce
Office of Inspector General
Organization Chart



Department of Commerce
Office of Inspector General
Budget Estimates, Fiscal Year 2027

Executive Summary

The Office of Inspector General's (OIG's) fiscal year (FY) 2027 budget request is $40.450 million and 154 positions, of which $38 million and 143 positions are funded from direct appropriations and $2.45 million and 11 positions are funded from a transfer from the U.S. Patent and Trademark Office (USPTO). Additionally, in FY 2027 OIG will receive a $2 million transfer and 4 positions from the National Telecommunications and Information Administration (NTIA) from NTIA's Public Wireless Supply Chain Innovation Fund (mandatory funds).

OIG's mission is to improve the programs and operations of the Department of Commerce through independent and objective oversight. OIG keeps the Secretary, Deputy Secretary, and Congress informed of serious problems and deficiencies relating to the administration of the Department's programs and operations, recommends corrective actions, and reports on the progress made in implementing corrective actions. OIG has authority to oversee all programs and operations of the Department, including those performed under contracts, grants, cooperative agreements, and other financial assistance awards. The Inspector General Act of 1978 (Pub. L. No. 95-452), as amended, and other legislation authorize the specific functions and programs that make up these activities.

OIG directs its oversight to the Department's most serious management and performance challenges. OIG's most recent *Top Management and Performance Challenges Facing the Department of Commerce in Fiscal Year 2026* report described challenges regarding cybersecurity; IT modernization; artificial intelligence integration; outdated and dilapidated National Institute of Standards and Technology (NIST) facilities; international trade; National Oceanic and Atmospheric Administration (NOAA) operations and services; safeguarding intellectual property and fostering innovation; Census data collection; strengthening oversight to effectively manage funds; broadband grant programs; managing Creating Helpful Incentives to Produce Semiconductors (CHIPS) and Science Act funding; oversight of the Nationwide Broadband Network for First Responders (FirstNet); and NIST's Hollings Manufacturing Extension Partnership (MEP) Program.

OIG's FY 2027 budget request includes the following resources:

Direct Appropriation—$38 million. These funds will support OIG's consolidated audit, evaluation, and investigative activities to promote effectiveness, efficiency, economy, and integrity and fight fraud, waste, and abuse in the management and administration of Department programs and operations, including those performed by its contractors and grantees. OIG plans and conducts audits and evaluations based on factors that include risk assessments of major Department programs and functional areas; mandatory requirements in law or regulation; top management and performance challenges; Department strategic goals and objectives; issues highlighted in the Government Accountability Office's High-Risk List; requests from Congress, Departmental officials, or other stakeholders; and significant issues identified during recent work. Statutory work includes annual audits of the Department's financial statements pursuant to the Chief Financial Officers Act of 1990 (Pub. L. No. 101-576) and information security reviews as required by the Federal Information Security Management Act of 2002 (Pub. L. No. 107-347). OIG investigates alleged or suspected fraud, waste, abuse, and misconduct by the Department's employees, contractors, recipients of financial assistance, and others involved in the Department's programs and operations. Such wrongdoing may result in criminal or civil prosecution as well as administrative sanctions for violations of Department regulations and employee standards of conduct.

Transfer—$2.45 million, from USPTO. These funds will support OIG's oversight of USPTO's operations, including its operations that focus on examining patent and trademark applications, granting patents, registering trademarks, and guiding domestic and international policy to protect U.S. intellectual property.

Inflationary Adjustments

OIG's FY 2027 base funding level includes a total of $1.476 million for the full funding requirement for inflationary adjustments to current programs for OIG activities. This includes the full-year cost of inflationary increases for labor and non-labor activities, including benefits and service contracts. Inflationary adjustments are completely offset through reductions in cost on labor, services, supplies, and equipment purchases.

Department of Commerce
Office of Inspector General
Salaries and Expenses
FY 2027 PROGRAM INCREASES / DECREASES / TERMINATIONS

(Dollar amounts in thousands)

Increases

Page No in CJ	Appropriations	Budget Program	Title of Increase	Positions	Budget Authority
	Total, Increase			0	$0

Decreases

Page No in CJ	Appropriations	Budget Program	Title of Decrease	Positions	Budget Authority
OIG-24	Salaries and Expenses	Office of Inspector General	Programmatic Decrease	(32)	($10,000)
	Total, Increases			(32)	($10,000)

Terminations

Page No in CJ	Appropriations	Budget Program	Title of Termination	Positions	Budget Authority
	Total, Increases			0	$0

Department of Commerce
Office of Inspector General
Salaries and Expenses
SUMMARY OF RESOURCE REQUIREMENTS

(Dollar amounts in thousands)

	Positions	FTE	Budget Authority	Direct Obligations
President's Budget, 2026	175	170	48,000	48,000
2027 Adjustments to Base				
Plus: 2027 Transfers	11	11	2,450	2,450
Plus: Inflationary Adjustments to Base			0	0
2027 Base	186	181	50,450	50,450
Plus 2027 Program Changes	(32)	(33)	(10,000)	(10,000)
2027 Estimate	154	148	40,450	40,450

Comparison by activity/subactivity with totals by activity		2025 Actual		2026 Enacted		2027 Base		2027 Estimate		Increase/Decrease from 2027 Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Office of Inspector General	Pos./BA	196	48,000	175	48,000	175	48,000	143	38,000	(32)	(10,000)
	FTE/Obl.	173	47,878	170	48,000	170	48,000	137	38,000	(33)	(10,000)
Transfer from USPTO	Pos./BA	12	2,450	11	2,450	11	2,450	11	2,450	0	0
	FTE/Obl.	12	2,450	11	2,450	11	2,450	11	2,450	0	0
Infrastructure Investment & Jobs Act (P.L. 117-58)	Pos./BA	15	1,000	15	1,000	15	0	15	0	0	0
Transfers from NTIA (non-add FY 2025)*	FTE/Obl.	15	3,615	16	3,300	16	3,335	16	4,680	0	1,345
Disaster Relief Supplemental Appropriations	Pos./BA	0	0	0	0	4	0	4	0	0	0
Act, 2023 (P.L. 117-328)	FTE/Obl.	2	400	2	430	4	869	4	1,014	0	145
Disaster Relief Supplemental Appropriations	Pos./BA	0	7,000	4	0	4	0	4	0	0	0
Act, 2025 (P.L. 118-158)	FTE/Obl.	0	0	2	400	4	808	4	1,072	0	264
Total	Pos./BA	223	58,450	205	51,450	209	50,450	177	40,450	(32)	(10,000)
	FTE/Obl.	202	54,343	201	54,580	205	55,462	172	47,216	(33)	(8,246)

	2025 Actual		2026 Enacted		2027 Base		2027 Estimate		Increase/Decrease from 2027 Base	
	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Adjustments for										
Unobligated balance, start of year		(13,073)		(17,058)		(13,928)		(13,928)		0
Unobligated balance, end of year		17,180		13,928		8,916		7,162		(1,754)
Unobligated balance, expiring		122								
Financing for transfers:										
Transfer from other accounts (-)		(10,450)		(3,450)		(2,450)		(2,450)		0
Appropriation		48,000		48,000		48,000		38,000		(10,000)

* Funds appropriated to NTIA in FY 2022, but not available to OIG until FY 2026, per the IIJA.

Department of Commerce
Office of Inspector General
Salaries and Expenses
SUMMARY OF REIMBURSABLE OBLIGATIONS
(Dollar amounts in thousands)

Comparison by activity		2025 Actual		2026 Enacted		2027 Base		2027 Estimate		Increase/Decrease from 2027 Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Office of Inspector General	Pos./BA		3,500		3,500		3,500		3,500		0
	FTE/Obl.		2,293		3,500		3,500		3,500		0
Total	Pos./BA		3,500		3,500		3,500		3,500		0
	FTE/Obl.		2,293		3,500		3,500		3,500		0

Department of Commerce
Office of Inspector General
Salaries and Expenses
SUMMARY OF FINANCING

(Dollar amounts in thousands)

	2025 Actual	2026 Enacted	2027 Base	2027 Estimate	Increase/Decrease from 2027 Base
Office of Inspector General	47,878	48,000	48,000	38,000	(10,000)
Transfers					
U.S. P. T. O.	2,450	2,450	2,450	2,450	0
Infrastructure Investment and Jobs Act (P.L. 117-58)	3,615	3,300	3,335	4,680	1,345
Disaster Relief Supplemental Appropriations Act, 2023 (P.L. 117-328)	400	430	869	1,014	145
Disaster Relief Supplemental Appropriations Act, 2025 (P.L. 118-158)	0	400	808	1,072	264
Total Obligations	54,343	54,580	55,462	47,216	(8,246)
Unobligated balance, start of year	(13,073)	(17,058)	(13,928)	(13,928)	0
Unobligated balance, end of year	17,180	13,928	8,916	7,162	(1,754)
Budget Authority	58,450	51,450	50,450	40,450	(10,000)
Financing					
Transfer from other accounts (-)	(10,450)	(3,450)	(2,450)	(2,450)	0
Appropriation	48,000	48,000	48,000	38,000	(10,000)

Department of Commerce
Office of Inspector General
Salaries and Expenses
ADJUSTMENTS TO BASE
(Dollar amounts in thousands)

	Positions	Amount
Transfer of Estimates	0	0
Adjustments	0	0
Financing	0	0
	0	0
Other Changes:		
2026 Pay raise	0	64
2027 Pay raise	0	151
Awards	0	(79)
Full-year cost in 2027 of positions financed for part year in 2026	0	0
Change in compensable days	0	0
Civil Service Retirement System (CSRS)	0	(20)
Federal Employees Retirement System (FERS)	0	(164)
Thrift Savings Plan	0	(32)
Federal Insurance Contribution Act (FICA) - OASDI	0	8
Health Insurance	0	300
Employees Compensation Fund		
Travel:		
Mileage	0	0
Per diem	0	5
Rental payments to GSA	0	(22)
GSA Furniture and IT Program (FIT)	0	0
Postage (included in GPL adjustment)		
Working Capital Fund, Departmental Management	0	(66)
National Archives and Records Administration (NARA)	0	0
General Pricing Level (GPL) Adjustment	0	623
HR - Pay Par and Benefits Direct Bill	0	155
Cyber Security (included in Working Capital Fund)	0	0
Enterprise Services	0	0
Telecommunications Services - Enterprise Infrastructure Services (EIS)	0	0
HCHB Utilities (included in GPL adjustment)	0	0
Commerce Business System (CBS)	0	0
Business Applications Solutions (BAS)	0	72
Federal Protective Service	0	0
Other changes unique to certain bureaus (e.g. grants, ship and aircraft costs)	0	(995)
Subtotal other changes	0	0
Total adjustments to base	0	0

Department of Commerce
Office of Inspector General
Transfers and Other Appropriations
ADJUSTMENTS TO BASE

(Dollar amounts in thousands)

	Positions	Amount
Transfer of Estimates	0	0
Adjustments	0	0
Financing	0	0
	0	0
Other Changes:		
2026 Pay raise	0	11
2027 Pay raise	0	0
Awards	0	3
Full-year cost in 2027 of positions financed for part year in 2026	0	0
Change in compensable days	0	0
Civil Service Retirement System (CSRS)	0	0
Federal Employees Retirement System (FERS)	0	143
Thrift Savings Plan	0	2
Federal Insurance Contribution Act (FICA) - OASDI	0	21
Health Insurance	0	34
Employees Compensation Fund		
Travel:		
Mileage	0	0
Per diem	0	0
Rental payments to GSA	0	0
GSA Furniture and IT Program (FIT)	0	0
Postage (included in GPL adjustment)		
Working Capital Fund, Departmental Management	0	2
National Archives and Records Administration (NARA)	0	0
General Pricing Level (GPL) Adjustment	0	17
Cyber Security		
Enterprise Services	0	0
Telecommunications Services - Enterprise Infrastructure Services (EIS)	0	0
HCHB Utilities (included in GPL adjustment)		
Commerce Business System (CBS)	0	0
HR - Pay, PAR, and Direct Benefits	0	0
Federal Protective Service	0	0
Other changes unique to certain bureaus (e.g. grants, ship and aircraft costs)	4	349
Subtotal other changes	4	582
Total adjustments to base	4	582

Department of Commerce
Office of Inspector General
Salaries and Expenses
PROGRAM AND PERFORMANCE: DIRECT OBLIGATIONS
(Dollar amounts in thousands)

Activity: Office of Inspector General

Line Item		2025 Actual		2026 Enacted		2027 Base		2027 Estimate		Increase/Decrease from 2027 Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Executive Direction	Pos./BA	17	3,648	15	3,648	15	3,648	12	2,888	(3)	(760)
& Counsel	FTE/Obl.	16	4,181	13	4,488	13	4,560	10	3,738	(3)	(822)
Audits &	Pos./BA	154	33,312	112	33,312	112	33,312	92	26,372	(20)	(6,940)
Evaluations	FTE/Obl.	138	35,073	111	37,646	111	38,254	89	31,357	(22)	(6,897)
Investigations	Pos./BA	51	11,040	48	11,040	48	11,040	39	8,740	(9)	(2,300)
	FTE/Obl.	49	11,596	46	12,446	46	12,648	37	10,368	(9)	(2,280)
Total	Pos./BA	222	48,000	175	48,000	175	48,000	143	38,000	(32)	(10,000)
	FTE/Obl.	203	50,850	170	54,580	170	55,462	137	45,462	(33)	(10,000)

Department of Commerce
Office of Inspector General
Salaries and Expenses
PROGRAM AND PERFORMANCE: REIMBURSABLE OBLIGATIONS
(Dollar amounts in thousands)

Activity: Office of Inspector General

Line Item		2025 Actual		2026 Enacted		2027 Base		2027 Estimate		Increase/Decrease from 2027 Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Office of Inspector General	Pos./BA	0	3,500	0	3,500	0	3,500	0	3,500	0	0
	FTE/Obl.	0	3,500	0	3,500	0	3,500	0	3,500	0	0
Total	Pos./BA	0	3,500	0	3,500	0	3,500	0	3,500	0	0
	FTE/Obl.	0	3,500	0	3,500	0	3,500	0	3,500	0	0

Department of Commerce
Office of Inspector General
Salaries and Expenses
JUSTIFICATION OF PROGRAM AND PERFORMANCE
(Dollar amounts in thousands)

Activity: Office of Inspector General

The Department of Commerce Office of Inspector General (OIG) was established by the Inspector General Act of 1978 (Pub. L. No. 95-452), as amended, as an independent oversight agency under the general supervision of the Secretary of Commerce.

Goal Statement

OIG's mission is to improve the programs and operations of the Department of Commerce through independent and objective oversight. OIG keeps the Secretary, Deputy Secretary, and Congress informed of serious problems and deficiencies relating to the administration of the Department's programs and operations, recommends corrective actions, and reports on the progress made in implementing corrective actions. OIG has a Whistleblower Protection Coordinator Program, established by the Whistleblower Protection Enhancement Act of 2012 (Pub. L. No. 112-199) and revised by the Whistleblower Protection Coordinator Act (Pub. L. No. 115-192).

Base Program

OIG's current resources support an oversight program focusing on the Department's top management and performance challenges and addressing allegations of fraud, waste, and abuse. OIG's most recent *Top Management and Performance Challenges Facing the Department of Commerce in Fiscal Year 2026* report identified the following top challenges: cybersecurity; IT modernization; artificial intelligence integration; outdated and dilapidated National Institute of Standards and Technology (NIST) facilities; international trade; National Oceanic and Atmospheric Administration (NOAA) operations and services; safeguarding intellectual property and fostering innovation; Census data collection; strengthening oversight to effectively manage funds; broadband grant programs; managing CHIPS and Science Act funding; oversight of the Nationwide Broadband Network for First Responders (FirstNet Authority); and NIST's Hollings Manufacturing Extension Partnership (MEP) Program.

OIG's funding level for FY 2027 is $40.45 million, of which $38 million is for general oversight activities. This funding also includes a transfer of $2.45 million from USPTO. An inflationary increase of $1.46 million is offset by reductions in services, supplies, and equipment purchases.

OIG's budget request for FY 2027 includes a program decrease of $10.0 million, resulting in net of $40.450 million, made up of $38 million for general oversight activities and no change to the $2.45 million transfer from USPTO.

Statement of Operating Objectives

OIG's independent oversight helps the Department improve the integrity of its operations and programs; ensures their efficient and effective operation; provides stakeholders with independent assessments of those operations and identifies the need for corrective action; and combats waste, fraud, and abuse. OIG provides the results of that oversight to stakeholders such as the Secretary of Commerce, the Department's senior leaders, Congress, and the American public.

Explanation and Justification

OIG's work is primarily people-driven, with 82 percent of its resources dedicated to personnel-related costs. OIG is headquartered in the Washington, DC area and operates two field offices in Denver, Colorado, and Seattle, Washington.

Oversight Activities ($40.45 million):

Executive Direction and Counsel. OIG leadership prioritizes work efforts, oversees all aspects of audits and investigations, and ensures effective delivery of support functions. The OIG Counsel reviews all work products and advises the leadership, auditors, and investigators on all legal questions.

Audits and Evaluations. OIG supervises and conducts independent and objective audits, evaluations, and other reviews of the Department's programs and activities to ensure they operate economically, efficiently, and effectively. OIG performs work that is part of its annual work planning process as well as in response to congressional or departmental requests. This oversight work addresses areas such as financial controls, operational efficiencies, information systems, program performance, major acquisitions, and grant operations.

Investigations. OIG investigates alleged or suspected fraud, waste, abuse, and misconduct by Department employees, contractors, recipients of financial assistance, and others involved in the Department's programs and operations. OIG's most significant areas of criminal, civil, and administrative investigations are related to contract fraud, grant fraud, public corruption, and senior-level employee misconduct.

Hotline and Whistleblower Protection. OIG maintains a hotline for receiving allegations of fraud, waste, abuse, and gross mismanagement in Department programs or operations, including by any organization or entity receiving Department funds. Allegations may be reported 24 hours a day, 7 days a week by employees, contractors, or the public. OIG also investigates allegations of whistleblower retaliation taken against Department employees, contractors, and grantees.

OIG's major deliverables include:

- An annual report on the top management and performance challenges facing the Department—*typically published in October;*
- Reports on audits and evaluations—*performed according to OIG's annual audit and evaluation plan, which may be modified to address emerging issues, stakeholder requests, statutory updates, or other changes to oversight priorities*;
- Semiannual reports summarizing the audit and investigative work OIG completed in the previous 6 months—*posted on the OIG website in May and November*;
- An annual audit of the Department's compliance with the Federal Information Security Modernization Act of 2014;
- Biennial audits of the Department's compliance with the Geospatial Data Act of 2018;
- Biennial audits of the Department's compliance with the Cybersecurity Information Sharing Act of 2015;
- An annual audit of financial statements of the Department and its bureaus, including a separate USPTO report—*provided in November*;
- Recommendation tracking, ensuring that OIG's recommendations are timely and appropriately implemented by Department management—*ongoing*;
- Reports of Investigation—*issued to Department leadership at the conclusion of an OIG investigation into allegations of fraud, waste, abuse, or other misconduct;*
- Referrals to the U.S. Department of Justice—*made to the Department of Justice and describing substantiated violations that may warrant civil or criminal prosecution;*
- Whistleblower education and information—*provided by OIG's whistleblower protection coordinator, per statute as cited above;*
- Responses to congressional requests (for example, testimony or briefings)—*as necessary*.

As mentioned above, OIG focuses its oversight efforts on the Department's top management and performance challenges. As described in *Top Management and Performance Challenges Facing the Department of Commerce in Fiscal Year 2026*, these include the following:

1. Modernizing Technology and Operations

Information Security

The Department's cybersecurity program has made slow progress since 2020. Despite ongoing efforts to improve, the program still struggles to apply security controls consistently across all systems. Management initiatives may boost efficiency, but our oversight continues to uncover real security problems. The Department's streamlining efforts could better focus resources, but may also create challenges in sustaining cybersecurity improvements.

Modernizing Departmental Systems
Implementation of two new departmental systems, intended to modernize financial and grant management, is progressing. However, both projects have suffered cost increases, significant schedule delays, and performance issues.

Artificial Intelligence and Other Emerging Technologies
As the Department accelerates its use of AI, a significant challenge will be to implement guidance and protect users' safety and privacy. The U.S. Patent and Trademark Office (USPTO), too, is working to ensure that its new technologies, including AI tools, are effective.

NIST Facility Upgrades
The National Institute of Standards and Technology's (NIST's) outdated, dilapidated facilities threaten mission performance and worker health and safety. NIST has developed a plan to address the condition of its facilities, but realization of the master plan, or any specific project within it, will depend on priorities of the U.S. Department of Commerce, Congressional and Presidential policy decisions, and federal budgetary decisions.

2. Providing Core Services and Data

Global Trade
The Bureau of Industry and Security has implemented and expanded many export controls in recent years to address the national security threats posed by foreign adversaries that try to obtain U.S. goods and technologies. At the same time, the International Trade Administration's enforcement of trade remedies empowers American companies and workers, but it has not yet taken some steps needed to effectively resolve foreign trade barriers.

Satellite, Weather, and Environmental Capabilities
The National Oceanic and Atmospheric Administration's (NOAA's) fleet of geostationary weather satellites has been deployed, but long-term continuity of weather data depends on the timely development of the next-generation satellite program, whose scope and readiness remain in flux.

In addition, the National Weather Service (NWS) is maintaining its aging, mission-critical weather radar system even as it faces uncertainty around its planned replacement. NWS also faces long-standing workforce challenges, exacerbated by the departure of approximately 13 percent of its employees in early 2025.

NOAA is replacing its aging fleets of specialized “hurricane hunter” planes and research ships. To prevent gaps in critical real-time hurricane data and support safe navigation, coastal resource management, and disaster preparedness and response, NOAA is maintaining its current fleets’ operations as it addresses technical challenges associated with the replacements.

Finally, the Department has begun providing basic space situational awareness data and services. Programmatic, acquisition, and resource challenges could impact the Office of Space Commerce’s ability to complete a key step toward fulfilling its requirements.

Patent and Trademark Timeliness and Integrity
USPTO has made some progress in reducing trademark application pendency. It still needs to improve the timeliness of its patent and trademark application processes and effectively address fraudulent claims without sacrificing quality.

2030 Census and Other Population Surveys
The U.S. Census Bureau has planned extensive research and testing to prepare for the 2030 census, but challenges persist with an important census quality check. The bureau also must carry out production and quality assurance processes for a survey that provides population estimates of American communities. At the same time, staffing issues may affect its ability to complete the surveys that provide data the government, businesses, and other groups need.

3. Managing Spending

Oversight and Fraud Prevention
As the Department focuses on the President’s America First Investment Policy and revitalizing the economy, its challenges include adapting its grant and contract oversight to changing priorities and programs, consolidating programs for more efficiency, ensuring that its acquisitions staff has the skills and expertise needed, and managing fraud risk by increasing fraud detection, prevention, and response.

Broadband Grant Programs
The National Telecommunications and Information Administration (NTIA) is administering almost $50 billion for six grant programs aimed at getting broadband access to every American. NTIA has begun addressing unrealistic requirements that cause delays and hinder progress even as an increased emphasis on eliminating government waste highlights the need for strong oversight.

CHIPS and Science Act Programs
To help increase American leadership in semiconductors and related technologies, the CHIPS program is awarding and managing up to $125 billion in direct funding, loans, and loan guarantees. The program’s ongoing challenge is to issue funding efficiently while reducing the risk of errors, fraud, waste, and abuse.

In addition, NTIA is managing the Public Wireless Supply Chain Innovation Fund, a CHIPS Act-funded grant program aimed at increasing U.S. leadership in 5G and successor technologies. As it implements this program, NTIA needs to ensure that funds are granted only to eligible applicants and used according to program objectives.

First Responder Network Authority
FirstNet Authority administers a multibillion-dollar contract with AT&T to develop and manage a nationwide broadband network to give public safety entities a dedicated, reliable means of communicating during emergency response. Longstanding deficiencies in FirstNet Authority's contract administration seriously impact the contract's performance as well as the network's services to first responders.

Hollings MEP Program
Inadequate oversight has placed NIST's Hollings Manufacturing Extension Partnership program, which aims to help U.S. manufacturers improve, upgrade, and innovate, at risk. Inefficient use of funds and unreliable, overstated economic impact data increase the potential for fraud, waste, and abuse throughout the program.

Work Completed by OIG in FY 2025:

OIG's audit and evaluation work produced the following results:

- Published **27** audit, inspection, and evaluation products.
- Made **104** recommendations for improvements to Department programs.
- Identified **$11.6 million** in monetary benefits.

In particular, OIG reported that:

- USPTO needs to strengthen its patent examination quality review program. The United States Patent and Trademark Office Needs to Strengthen Its Patent Examination Quality Review Program
- Improvements are needed in NOAA's plan for achieving the Tornado Warning Improvement and Extension Program goals. Independent Evaluation of the National Oceanic and Atmospheric Administration's National Weather Service Tornado Forecasting and Warning Services
- The Department's vision for an Enterprise Grants Management system has not been realized. OIG-25-025-A (SECURED)

- NOAA must take action to avoid gaps in hurricane hunter missions and improve oversight, program management, and systems engineering practices. NOAA Must Take Action to Avoid Gaps in Hurricane Hunter Missions and Improve Oversight, Program Management, and Systems Engineering Practices
- BIS needs to improve its incident response capabilities to handle sophisticated cyberattacks. OIG-25-022-I
- The Department complied with Payment Integrity Information Act Requirements for FY 2024. The Department Complied with Payment Integrity Information Act Requirements for Fiscal Year 2024
- EDA needs to improve oversight of CARES Act revolving loan funds to ensure loans are made to eligible borrowers and used as intended. EDA Needs to Improve Oversight of CARES Act Revolving Loan Funds to Ensure Loans Are Made to Eligible Borrowers and Used as Intended
- USPTO should improve governance to promote effective oversight of its AI tools. OIG-25-018-A
- NTIA established the Innovation Fund Program but needs a plan to ensure that the program meets statutory objectives. OIG-25-017-I
- The Puerto Rico Department of Agriculture met pandemic funds requirements but was slow to disburse Fishery Consolidated Appropriations Act funds. OIG-25-016-A The Puerto Rico Department of Agriculture Met Pandemic Funds Requirements but Was Slow to Disburse Fishery Consolidated Appropriations Act Funds
- The Census Bureau should address challenges from the 2020 post-enumeration survey ahead of the 2030 census. The Census Bureau Should Address Challenges from the 2020 Post-Enumeration Survey Ahead of the 2030 Census
- Broadband stakeholders identified various challenges affecting broadband deployment. Broadband Stakeholders Identified Various Challenges Affecting Broadband Deployment
- The Census Bureau did not develop a workforce plan to address field representative staffing gaps. OIG-25-013-I
- The National Weather Service should further strengthen its protection of essential operational technology. OIG-25-012-I
- NIST overstated MEP's economic impacts to Congress and other stakeholders. In addition, OIG's evaluation of MEP's economic impact reporting process also identified instances of noncompliance at centers, which led to NIST action. OIG's Evaluation of MEP's Economic Impact Reporting Process Also Identified Instances of Noncompliance at Centers, Led to NIST Action
- Puerto Rico's Department of Natural and Environmental Resources properly disbursed funds but was slow in expending Fishery Disaster Assistance Funds. Puerto Rico's Department of Natural and Environmental Resources Properly Disbursed Funds but Was Slow in Expending Fishery Disaster Assistance Funds (#2024-441)

- NOAA should assess opportunities to improve hurricane forecasts and warnings. OIG-25-007-A
- Data quality challenges and ineffective program management hinder the Department's enterprise cybersecurity capabilities. OIG-25-006-A
- The NPSBN was not always available to first responders during the catastrophic 2023 Maui wildfires. OIG-25-004-A_Redacted (SECURED)
- USPTO should address risks to its pendency reduction efforts for trademark applications. OIG-25-002-A

OIG's direct investigative work produced the following results:

- Addressed 1,442 hotline contacts related to the Department and its programs;
- Referred 409 hotline issues to Department and bureau management for further investigation and resolution, as appropriate;
- Opened 49 investigations (whistleblower reprisal, preliminary, or full field investigations) and 20 requests for assistance, totaling 69 investigative actions;
- Closed 42 investigations and 32 requests for assistance; and
- Referred 12 cases to the U.S. Department of Justice or state/local prosecutors that were accepted for prosecution.

In addition, cases pursued by OIG resulted in 6 convictions, the indictment of 3 individuals, 5 suspension/debarment actions, 5 disciplinary actions, and monetary recoveries totaling $54.6 million.

Additional FY 2025 Oversight Highlights:

- Continued prioritization of contract and grant fraud investigations.
- Continued oversight of the Department's contracts.
- Independent auditor issued unmodified (clean) opinions on the Department's FY 2024 financial statements and on USPTO's FY 2024 financial statements; noted targeted internal-control weaknesses at NOAA's service center in the Department audit, with no reportable noncompliance for either audit.
- Completed two quality control reviews of external single audits performed by other entities that resulted in "Fail" ratings and received confirmation of remedial actions taken by the profession's ethics oversight body on a prior OIG referral.

- Advanced FirstNet contract-oversight reforms beyond the Maui wildfires, including follow-on oversight of the February 2024 nationwide outage and Band 14 service availability; secured commitment to revised corrective action plans under OIG review.
- Strengthened NOAA mission continuity by elevating risks and recommending mitigations for hurricane-hunter fleet recapitalization (C-130J/G550 and new radar integration), potential GOES-to-GeoXO coverage gaps, and obsolescence across more than 4,000 NEXRAD components.
- Monitored NOAA Office of Space Commerce's TraCSS beta rollout and highlighted schedule and resourcing risks to achieving production release.
- Assessed CHIPS awards made at rapid pace (direct funding and loans) and documented workforce/control gaps; noted Department action related to NSTC operator and continued transition of responsibilities to NIST; reviewed Innovation Fund awards and identified needs for a comprehensive strategic plan and robust program controls.
- Continued trade-enforcement oversight at ITA (barrier-resolution effectiveness) and BIS (Russia/Belarus and China enforcement, deemed-export policy actions).
- Delivered concrete investigative outcomes including a civil False Claims Act settlement ($8.0 million, with $4.0 million restitution to Census); a Small Business Administration pandemic-loan misuse conviction with $455,166 restitution; and a collusive-bidding case producing a guilty plea, $100,000 fine, and five-year exclusion from federal contracting.
- Substantiated a whistleblower retaliation claim at NOAA's National Marine Fisheries Service; also closed two non-public senior-official investigations (one unsubstantiated, one not completed due to lack of cooperation).

Department of Commerce
Office of Inspector General
Salaries and Expenses
PROGRAM CHANGE FOR 2027

(Direct amounts in thousands)

Line Item		2027 Base		2027 Estimate		Increase/Decrease from 2027 Base	
Office of Inspector General	Pos./BA	175	48,000	143	38,000	(32)	(10,000)
	FTE/Obl.	170	48,000	137	38,000	(33)	(10,000)
Total	Pos./BA	175	48,000	143	38,000	(32)	(10,000)
	FTE/Obl.	170	48,000	137	38,000	(33)	(10,000)

Programmatic Decrease (-$10 million, 33 FTE/32 Positions) –This program decrease will reduce funding for investigations, including both in response to incoming complaints and initiated proactively, audits and evaluations, and functions that support OIG oversight. Following the workforce reshaping efforts in 2025, OIG currently has a 9% vacancy rate. The program decrease will necessitate reduction by an additional sixteen (16) positions. The smaller workforce will be used only for statutorily mandated functions and providing audit, evaluation, and investigative capabilities to address top priorities among the highest risk activities within the Department.

Department of Commerce
Office of Inspector General
Salaries and Expenses
PROGRAM CHANGE PERSONNEL DETAIL
(Direct amounts in thousands)

Activity: Office of Inspector General

Program Change: Programmatic Reduction

Full-time Permanent

Title	Grade	Number	Average Annual Salary and Benefits	Total Salaries and Benefits
Audit Staff	various	19	242,605	4,609,489
Investigative Staff	various	3	277,264	831,791
Support Staff	various	11	233,160	2,564,765
Total		33		8,006,044
Severance if reduction is not met through DRP/VERA		-		(212,347)
Total full-time permanent (FTE)		33		7,793,697
2027 pay adjustment (0%)				-
				7,793,697

Personnel Data Summary	Number
Full-time Equivalent Employment (FTE)	33
Full-time permanent	0
Part-time permanent	0
Full-time temporary	0
Part-time temporary	0
Total FTE	33

Authorized Positions	Number
Full-time permanent	32
Part-time permanent	0
Full-time temporary	0
Part-time temporary	0
Total Positions	0
	32

Department of Commerce
Office of Inspector General
Salaries and Expenses
PROGRAM CHANGE DETAIL BY OBJECT CLASS
(Direct amounts in thousands)

Activity: Office of Inspector General

	Object Class	2025 Actual	2026 Enacted	2027 Base	2027 Estimate	Increase/Decrease from 2027 Base
11.0	Personnel compensation					
11.1	Full-time permanent compensation	26,206	26,580	26,270	19,773	(6,497)
11.3	Other than full-time permanent	0	0	0	0	0
11.5	Other personnel compensation	1,848	1,867	1,878	1,437	(441)
11.9	**Total personnel compensation**	28,054	28,447	28,148	21,210	(6,938)
12.1	Civilian personnel benefits	10,919	11,070	10,772	9,704	(1,068)
13.0	Benefits for former personnel	71	0	0	0	0
21.0	Travel and transportation of persons	268	415	499	286	(213)
22.0	Transportation of things	26	8	8	8	0
23.0	Rent, communications, and utilities					
23.1	Rental payments to GSA	1,024	1,278	1,256	1,000	(256)
23.2	Rental payments to others	0	0	0	0	0
23.3	Communications, utilities and misc. charges	402	252	358	231	(127)
24.0	Printing and reproduction	3	7	4	4	0
25.0	Other contractual services					
25.1	Advisory and Assistance services	143	359	0	0	0
25.2	Other services from non-Federal sources	2,070	1,652	2,043	1,655	(388)
25.3	Other goods and services from Federal sources	2,482	2,161	2,351	1,565	(786)
25.4	Operation and Maintenance of Facilities	0	100	0	0	0
26.0	Supplies and materials	76	65	70	55	(15)
31.0	Equipments	2,322	2,186	2,491	2,282	(209)
42.0	Insurance claims and Indemnities	18	0	0	0	0
99.9	**Total obligations**	47,878	48,000	48,000	38,000	(10,000)

Department of Commerce
Office of Inspector General
Salaries and Expenses
SUMMARY OF REQUIREMENTS BY OBJECT CLASS

(Direct amounts in thousands)

Activity: Office of Inspector General

	Object Class	2025 Actual	2026 Enacted	2027 Base	2027 Estimate	Increase/Decrease from 2027 Base
11.0	Personnel compensation					
11.1	Full-time permanent compensation	26,206	26,580	26,270	19,773	(6,497)
11.3	Other than full-time permanent	0	0	0	0	0
11.5	Other personnel compensation	1,848	1,867	1,878	1,437	(441)
11.9	**Total personnel compensation**	28,054	28,447	28,148	21,210	(6,938)
12.1	Civilian personnel benefits	10,919	11,070	10,772	9,704	(1,068)
13.0	Benefits for former personnel	71	0	0	0	0
21.0	Travel and transportation of persons	268	415	499	286	(213)
22.0	Transportation of things	26	8	8	8	0
23.0	Rent, communications, and utilities					
23.1	Rental payments to GSA	1,024	1,278	1,256	1,000	(256)
23.2	Rental payments to others	0	0	0	0	0
23.3	Communications, utilities and misc. charges	402	252	358	231	(127)
24.0	Printing and reproduction	3	7	4	4	0
25.0	Other contractual services					
25.1	Advisory and Assistance services	143	359	0	0	0
25.2	Other services from non-Federal sources	2,070	1,652	2,043	1,655	(388)
25.3	Other goods and services from Federal sources	2,482	2,161	2,351	1,565	(786)
25.4	Operation and Maintenance of Facilities	0	100	0	0	0
26.0	Supplies and materials	76	65	70	55	(15)
31.0	Equipments	2,322	2,186	2,491	2,282	(209)
42.0	Insurance claims and Indemnities	18	0	0	0	0
99.9	**Total obligations**	47,878	48,000	48,000	38,000	(10,000)

	2025 Actual	2026 Enacted	2027 Base	2027 Estimate	Increase/Decrease from 2027 Base
Less prior year recoveries	0	0	0	0	0
Restoration of recoveries	0	0	0	0	0
Less transfers	0	0	0	0	0
Less prior year unobligated balance	0	0	0	0	0
Unobligated balance, expiring	0	0	0	0	0
Unobligated balance, end of year	0	0	0	0	0
Total Budget Authority	47,878	48,000	48,000	38,000	(10,000)
Personnel Data					
Full-Time Equivalent Employment:					
Full-time permanent	173	170	170	137	(33)
Other than full-time permanent	0	0	0	0	0
Total	173	170	170	137	(33)
Authorized Positions					
Full-time permanent	196	175	175	143	(32)
Other than full-time permanent	0	0	0	0	0
Total	196	175	175	143	(32)

Department of Commerce
Office of Inspector General
Transfers and Other Appropriations
SUMMARY OF REQUIREMENTS BY OBJECT CLASS

(Direct amounts in thousands)

	Object Class	2025 Actual	2026 Enacted	2027 Base	2027 Estimate	Increase/Decrease from 2027 Base
11.0	Personnel compensation					
11.1	Full-time permanent compensation	4,774	4,450	4,910	6,066	1,156
11.3	Other than full-time permanent	0	0	0	0	0
11.5	Other personnel compensation	140	120	140	211	71
11.9	**Total personnel compensation**	4,914	4,570	5,050	6,277	1,227
12.1	Civilian personnel benefits	1,896	1,960	2,019	2,046	27
13.0	Benefits for former personnel	0	0	0	0	0
21.0	Travel and transportation of persons	38	15	39	15	(24)
22.0	Transportation of things	0	0	0	0	0
23.0	Rent, communications, and utilities					
23.1	Rental payments to GSA	0	0	0	141	141
23.2	Rental payments to others	0	0	0	0	0
23.3	Communications, utilities and misc. charges	0	0	0	33	33
24.0	Printing and reproduction	0	0	0	0	0
25.0	Other contractual services					
25.1	Advisory and Assistance services	0	0	0	0	0
25.2	Other services from non-Federal sources	22	10	23	547	524
25.3	Other goods and services from Federal sources	28	23	29	189	160
26.0	Supplies and materials	2	2	2	3	1
31.0	Equipments	0	0	0	0	0
42.0	Insurance claims and Indemnities	0	0	0	0	0
99.9	**Total obligations**	6,900	6,580	7,162	9,251	2,089

	2025 Actual	2026 Enacted	2027 Base	2027 Estimate	Increase/Decrease from 2027 Base
Less prior year recoveries	0	0	0	0	0
Restoration of recoveries	0	0	0	0	0
Less transfers	(3,450)	(3,450)	(2,450)	(2,450)	0
Less prior year unobligated balance	(12,742)	(9,292)	(5,642)	(5,642)	0
Unobligated balance, expiring	0	0	0	0	0
Unobligated balance, end of year	9,292	5,642	930	1,159	229
Total Budget Authority	0	(520)	(0)	2,318	2,318
Personnel Data					
Full-Time Equivalent Employment:					
Full-time permanent	29	31	35	35	0
Other than full-time permanent	0	0	0	0	0
Total	29	31	35	35	0
Authorized Positions					
Full-time permanent	27	30	34	34	0
Other than full-time permanent	0	0	0	0	0
Total	27	30	34	34	0

Department of Commerce
Office of Inspector General
Salaries and Expenses
APPROPRIATION LANGUAGE AND CODE CITATION

Appropriation: Office of Inspector General

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978 (5 U.S.C. App.), $38,000,000.

5 U.S.C. App. §1-12, as amended.

Section 2 of the Inspector General Act of 1978 (5 U.S.C. App.), as amended, provides that, "In order to create independent and objective units – (1) to conduct and supervise audits and investigations relating to programs and operations of the establishments listed in section 12 … there is established in each of such establishments an Office of Inspector General." Section 12(2) defines "establishment" to include the Department of Commerce.

Department of Commerce
Office of Inspector General
Salaries and Expenses
ADVISORY AND ASSISTANCE SERVICES

(Direct amounts in thousands)

	2025 Actual	2026 Enacted	2027 Estimate
Consulting Services	0	0	0
Management and Professional Services	143	359	0
Special studies and analyses	0	0	0
Management and support services for research and development	0	0	0
Total	143	359	0

OIG invested in workforce development and leadership training to achieve efficient and effective management and operations of the organization.

Department of Commerce
Office of Inspector General
Salaries and Expenses
PERIODICALS, PAMPHLETS, AND AUDIOVISUAL PRODUCTS

(Direct amounts in thousands)

	2025 Actual	2026 Enacted	2027 Estimate
Periodicals	2	2	4
Pamphlets	0	0	0
Audiovisuals	0	0	0
Total	2	2	4

OIG printing services cover costs associated with printing of reports, crime prevention materials, and business cards for investigative personnel.

Department of Commerce
Office of Inspector General
Salaries and Expenses
AVERAGE GRADES AND SALARIES

	2025 Actual	2026 Enacted	2027 Estimate
Average ES Salary and Benefits	$274,070	$273,682	$279,820
Average GS/GM Grade	13	13	13
Average GS/GM Salary & Benefits	$202,575	$212,966	$223,729

Department of Commerce
Office of Inspector General
INSPECTOR GENERAL REFORM ACTION OF 2008 REPORTING REQUIREMENTS

In accordance with the requirements of Section 6(g)(1) of the Inspector General Act of 1978, as amended, OIG is required to report the following in its budget submission:

OIG 2027 Request to Department of Commerce	$ 52,250,000
Department of Commerce 2027 President's Budget Allowance to OIG	$ 40,450,000

	2025 Actual	2026 Enacted	2027 Base	2027 Estimate	Increase/Decrease
	BA	BA	BA	BA	BA
Aggregate Funding	50,450	50,450	50,450	40,450	(10,000)
OIG Funding	50,450	50,450	50,450	40,450	(10,000)

Dollar amounts in thousands

Amounts for Council of the Inspectors General on Integrity and Efficiency (CIGIE) funding support as provided by the Inspector General Reform Act of 2008 are as follows:

	2025 Actual	2026 Enacted	2027 Base	2027 Estimate	Increase/Decrease
	BA	BA	BA	BA	BA
Training	380	400	279	166	(113)
Amounts for Support of CIGIE	192	192	192	154	(38)

Dollar amounts in thousands

OIG certifies that the training amount for FY 2027 listed above will provide minimally adequate training to maintain audit and investigative capabilities. Given the proposed funding, OIG's ability to conduct investigations, audits, and evaluations would be primarily focused on those engagements mandated by statute and on certain high-risk areas. Resources available for discretionary audits, evaluations, and inquiries would be significantly constrained, limiting our capacity to address additional oversight requirements outside these core priorities, including emergent and urgent priorities. Due to more limited resources, a higher portion of investigations and hotline complaints may be referred to the Department for resolution.

Department of Commerce
Office of Inspector General
Salaries and Expenses
IMPLEMENTATION STATUS OF GAO AND OIG RECOMMENDATIONS

31 U.S.C. § 720, as amended January 3, 2019, requires the head of a federal agency to submit a written statement of the actions taken or planned in response to Government Accountability Office (GAO) recommendations to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 180 calendar days after the date of the report.

The Good Accounting Obligation in Government Act (GAO-IG Act), passed on January 3, 2019 (P.L. 115-414), requires each agency to include, in its annual budget justification, a report that identifies each public recommendation issued by GAO and the agency's OIG that has remained unimplemented for one year or more from the annual budget justification submission date. In addition, the Act requires a reconciliation between the agency records and the IG's Semiannual Report to Congress (SAR).

Section 1. Recommendations for which action plans were finalized since the last appropriations request.

Nothing to report.

Section 2. Implementation of GAO public recommendations issued no less than one year ago that are designated by GAO as 'Open' or 'Closed-Unimplemented.'

Nothing to report.

Section 3. Implementation of OIG public recommendations issued no less than one year for which Final Action has not been Taken or Action Not Recommended has been Taken

Nothing to report.

Section 4. Discrepancies between this report and the semiannual reports submitted by the Commerce Office of Inspector General or reports submitted by the GAO

Nothing to report.

Department of Commerce
Office of Inspector General
Salaries and Expenses
DESCRIPTION OF TRIBAL CONSULTATIONS
(Dollar amounts in thousands)

Applicable Programs: No tribal consultations were required.

Summary Description of Tribal Consultations: No tribal consultations were required.

Summary Description of Tribal Input: No tribal consultations were required.

Department of Commerce
Office of Inspector General
SUMMARY OF RESOURCE REQUIREMENTS – MANDATORY APPROPRIATIONS

(Dollar amounts in thousands)

	Positions	FTE	Budget Authority	Direct Obligations
Appropriations Available, 2026	14	18	7,000	4,050
2027 Adjustments to Base				
Plus: 2027 Transfers	0	0	0	0
Plus: Inflationary Adjustments to Base	0	0	0	268
2027 Base	14	19	2,000	4,318
Plus 2027 Program Changes	0	0	0	1,469
2027 Estimate	14	19	2,000	5,787

Comparison by activity/subactivity with totals by activity		2025 Actual		2026 Enacted		2027 Base		2027 Estimate		Increase/Decrease from 2027 Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Creating Helpful Incentives to Produce	Pos./BA	14	7,000	14	7,000	14	2,000	14	2,000	0	0
Semiconductors for America Act of 2022	FTE/Obl.	16	3,750	18	4,050	19	4,318	19	5,787	0	1,469
Total	Pos./BA	14	7,000	14	7,000	14	2,000	14	2,000	0	0
	FTE/Obl.	16	3,750	18	4,050	19	4,318	19	5,787	0	1,469
Adjustments for											
Unobligated balance, start of year			(17,638)		(20,888)		(23,838)		(23,838)		0
Unobligated balance, end of year			20,888		23,838		21,520		20,051		(1,469)
Financing for transfers:											
Transfer from other accounts (-)			(7,000)		(7,000)		(2,000)		(2,000)		0
Appropriation			0		0		0		0		0

Exhibit 7

Department of Commerce
Office of Inspector General
Salaries and Expenses
SUMMARY OF FINANCING– MANDATORY APPROPRIATIONS
(Dollar amounts in thousands)

	2025 Actual	2026 Enacted	2027 Base	2027 Estimate	Increase/Decrease from 2027 Base
Creating Helpful Incentives to Produce Semiconductors for America Act of 2022 (P.L. 117-167)	3,750	4,050	4,318	5,787	1,469
Total Obligations	3,750	4,050	4,318	5,787	1,469
Offsetting collections from:					0
Federal funds	0	0	0	0	0
Trust funds	0	0	0	0	0
Non-federal sources	0	0	0	0	0
Unobligated balance, start of year	(17,638)	(20,888)	(23,838)	(23,838)	0
Unobligated balance, end of year	20,888	23,838	21,520	20,051	(1,469)
Budget Authority	7,000	7,000	2,000	2,000	0
Financing					
Transfer from other accounts (-)	(7,000)	(7,000)	(2,000)	(2,000)	0
Appropriation	0	0	0	0	0

Department of Commerce
Office of Inspector General
Salaries and Expenses
ADJUSTMENTS TO BASE– MANDATORY APPROPRIATIONS

(Dollar amounts in thousands)

	Positions	Amount
Transfer of Estimates	0	0
Adjustments	0	0
Financing	0	0
	0	0
Other Changes:		
2026 Pay raise	0	7
2027 Pay raise	0	0
Awards	0	1
Full-year cost in 2027 of positions financed for part year in 2026	0	0
Change in compensable days	0	0
Civil Service Retirement System (CSRS)	0	0
Federal Employees Retirement System (FERS)	0	8
Thrift Savings Plan	0	1
Federal Insurance Contribution Act (FICA) - OASDI	0	11
Health Insurance	0	31
Employees Compensation Fund		
Travel:		
Mileage	0	0
Per diem	0	0
Rental payments to GSA	0	0
GSA Furniture and IT Program (FIT)	0	0
Postage (included in GPL adjustment)		
Working Capital Fund, Departmental Management	0	19
National Archives and Records Administration (NARA)	0	0
General Pricing Level (GPL) Adjustment	0	3
Cyber Security		
Enterprise Services	0	0
Telecommunications Services - Enterprise Infrastructure Services (EIS)	0	0
HCHB Utilities (included in GPL adjustment)		
Commerce Business System (CBS)	0	0
Business Applications Solutions (BAS)		
HR - Pay, PAR, Benefits Direct	0	0
Federal Protective Service	0	0
Other changes unique to certain bureaus (e.g. grants, ship and aircraft costs)	0	187
Subtotal other changes	0	268
Total adjustments to base	0	268

Department of Commerce
Office of Inspector General
PROGRAM AND PERFORMANCE: DIRECT OBLIGATIONS – MANDATORY APPROPRIATIONS
(Dollar amounts in thousands)

Activity: Office of Inspector General

Line Item		2025 Actual		2026 Enacted		2027 Base		2027 Estimate		Increase/Decrease from 2027 Base	
		Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount	Personnel	Amount
Executive Direction	Pos./BA	1	389	1	389	1	111	1	111	0	0
& Counsel	FTE/Obl.	1	206	1	225	1	240	1	322	0	82
Audits &	Pos./BA	12	5,833	12	5,833	12	1,667	12	1,667	0	0
Evaluations	FTE/Obl.	13	3,083	15	3,375	16	3,598	16	4,822	0	1,224
Investigations	Pos./BA	1	778	1	778	1	222	1	222	0	0
	FTE/Obl.	2	411	2	450	2	480	2	643	0	163
Total	Pos./BA	14	7,000	14	7,000	14	2,000	14	2,000	0	0
	FTE/Obl.	16	3,700	18	4,050	19	4,318	19	5,787	0	1,469

Department of Commerce
Office of Inspector General
JUSTIFICATION OF PROGRAM AND PERFORMANCE – MANDATORY APPROPRIATIONS
(Dollar amounts in thousands)

Activity: Office of Inspector General

The Department of Commerce Office of Inspector General (OIG) was established by the Inspector General Act of 1978 (Pub. L. No. 95-452), as amended, as an independent oversight agency under the general supervision of the Secretary of Commerce.

Goal Statement

OIG will provide oversight of activities supported with funds appropriated to the Department of Commerce under the Creating Helpful Incentives to Produce Semiconductors (CHIPS) and Science Act of 2022 (Pub. L. No. 117-167).

Base Program

The CHIPS and Science Act of 2022 provided OIG with $2 million per year from FY 2022 through FY 2032 to provide oversight of the Public Wireless Supply Chain Innovation Fund. OIG's most recent *Top Management and Performance Challenges Facing the Department of Commerce in Fiscal Year 2026* report identified challenges to implementing the CHIPS Act and promoting growth in domestic semiconductor manufacturing and research, including: rapid funding awards using instruments not commonly used in federal programs, exercising effective oversight of CHIPS funding via policy and monitoring, comprehensive workforce management to ensure the agency has personnel with the skills needed to accomplish the mission and meet organizational goals and objectives, and lack of a strategic plan to ensure Public Wireless Supply Chain Innovation Fund grant programs are used according to the program's objectives. OIG anticipates reviewing samples of the Department's loans, grants, cooperative agreements, other federal financial assistance awards, and associated expenditures under these programs. OIG's review will include the following:

- Implementation – application review, award process, and funds disbursement;
- Award Oversight – compliance with award policies and procedures;
- Funds Oversight – appropriate use of funds; and
- Closeout – compliance with closeout procedures.

In addition to audits and evaluations, OIG will conduct criminal, civil, and administrative investigations as necessary.

Department of Commerce
Office of Inspector General
SUMMARY OF REQUIREMENTS BY OBJECT CLASS – MANDATORY APPROPRIATIONS

(Direct amounts in thousands)

	Object Class	2025 Actual	2026 Enacted	2027 Base	2027 Estimate	Increase/Decrease from 2027 Base
11.0	Personnel compensation					
11.1	Full-time permanent compensation	2,578	2,849	3,001	3,733	732
11.3	Other than full-time permanent	0	0	0	0	0
11.5	Other personnel compensation	46	54	55	150	95
11.9	**Total personnel compensation**	2,624	2,903	3,056	3,883	827
12.1	Civilian personnel benefits	1,023	1,073	1,166	1,205	39
13.0	Benefits for former personnel	0	0	0	0	0
21.0	Travel and transportation of persons	15	15	15	15	0
22.0	Transportation of things	0	0	0	0	0
23.0	Rent, communications, and utilities	0	0	0	0	0
23.1	Rental payments to GSA	0	0	0	111	111
23.2	Rental payments to others	0	0	0	0	0
23.3	Communications, utilities and misc. charges	0	0	0	26	26
24.0	Printing and reproduction	0	0	0	0	0
25.0	Other contractual services			0	0	0
25.1	Advisory and Assistance services	0	0	0	0	0
25.2	Other services from non-Federal sources	74	45	48	396	348
25.3	Other goods and services from Federal sources	12	12	31	149	118
26.0	Supplies and materials	2	2	2	2	0
31.0	Equipments	0	0	0	0	0
42.0	Insurance claims and Indemnities	0	0	0	0	0
99.9	**Total obligations**	3,750	4,050	4,318	5,787	1,469

	2025 Enacted	2026 Enacted	2027 Base	2027 Estimate	Increase/Decrease from 2027 Base
Less prior year recoveries	0	0	0	0	0
Restoration of recoveries	0	0	0	0	0
Less transfers	(7,000)	(7,000)	(2,000)	(2,000)	0
Less prior year unobligated balance	(17,095)	(20,345)	(22,945)	(22,945)	0
Unobligated balance, expiring	0	0	0	0	0
Unobligated balance, end of year	20,345	23,295	20,627	19,550	(1,077)
Total Budget Authority	0	0	0	392	392
Personnel Data					0
Full-Time Equivalent Employment:	16	18	19	19	0
Full-time permanent	0	0	0	0	0
Other than full-time permanent	16	18	19	19	0
Total					
Authorized Positions					
Full-time permanent	14	14	14	14	0
Other than full-time permanent	0	0	0	0	0
Total	14	14	14	14	0

Department of Commerce
Office of Inspector General
ADVISORY AND ASSISTANCE SERVICES – MANDATORY APPROPRIATIONS
(Direct amounts in thousands)

	2025 Actual	2026 Enacted	2027 Estimate
Consulting Services	0	0	0
Management and Professional Services	0	0	0
Special studies and analyses	0	0	0
Management and support services for research and development	0	0	0
Total	0	0	0

OIG did not have any advisory and assistance services in the mandatory appropriations.

Department of Commerce
Office of Inspector General
PERIODICALS, PAMPHLETS, AND AUDIOVISUAL PRODUCTS – MANDATORY APPROPRIATIONS
(Direct amounts in thousands)

	2025 Actual	2026 Enacted	2027 Estimate
Periodicals	0	0	0
Pamphlets	0	0	0
Audiovisuals	0	0	0
Total	0	0	0

OIG did not have any printing costs in the mandatory appropriations.

Department of Commerce
Office of Inspector General
AVERAGE GRADES AND SALARIES – MANDATORY APPROPRIATIONS

	2025 Actual	2026 Enacted	2027 Estimate
Average ES Salary and Benefits	$274,070	$273,682	$279,820
Average GS/GM Grade	13	13	13
Average GS/GM Salary & Benefits	$202,575	$212,966	$223,729

Department of Commerce
Office of Inspector General
DESCRIPTION OF TRIBAL CONSULTATIONS – MANDATORY APPROPRIATIONS
(Dollar amounts in thousands)

Applicable Programs: No tribal consultations were required.

Summary Description of Tribal Consultations: No tribal consultations were required.

Summary Description of Tribal Input: No tribal consultations were required.