

**DEPARTMENT OF LABOR****Office of the Secretary**

[Secretary's Order 04-2006]

**Organization, Functions, and Authority Delegations: Inspector General Office****1. Purpose**

To update the delegations of authority and assignments of responsibilities that have been made to the Office of Inspector General (OIG), including authorization for the OIG to provide for its own legal, personnel, and procurement services.

**2. Authority and Directives Affected**

A. *Authority.* This Order is issued pursuant to various Federal statutes, including but not limited to the Act of March 4, 1913 (37 Stat. 736, 29 U.S.C. 551), 5 U.S.C. 301 and 302(b)(1), and the Inspector General Act of 1978, as amended (92 Stat. 1101, 5 U.S.C. App. 3).

B. *Directives Affected.* Secretary's Order 2-90 is superseded by this Directive.

**3. Policy**

It continues to be the policy of the Department of Labor (DOL) to utilize its resources so as to promote economy and efficiency in the administration of its programs and operations, and to prevent and detect fraud, waste and abuse in such programs and operations. Pursuant to this policy, DOL is fully committed to supporting the audit, investigative, and oversight efforts of the OIG.

**4. Background**

The Inspector General Act of 1978 (originally implemented by Secretary's Order 1-80 and previously amended by Secretary's Order 2-90) established an OIG within the Department of Labor to: Conduct and supervise audits and investigations relating to the programs and operations of DOL; provide leadership and coordination and recommend policies for activities designed to promote economy and efficiency in the administration of DOL programs and operations; provide leadership and coordination to prevent and detect fraud and abuse in DOL programs and operations, and; provide a means to keep the Secretary and the Congress fully and currently informed about problems and deficiencies in DOL programs and operations.

This Order confirms that such authority is established within the OIG. This Order also recognizes the unique role of the OIG, as set forth in the Inspector General Act of 1978, as amended, and as described above. This

Order also reaffirms and preserves the Solicitor's longstanding role as chief legal officer for the Secretary and the Department, and the Solicitor's exclusive role in furnishing legal services of all kinds to the Secretary, the Department, and its constituent agencies (excluding the OIG). This Order shall not be construed as conferring authority on any agency of the Department other than the OIG to hire attorneys or otherwise to obtain or provide for legal services other than through the Solicitor of Labor.

**5. Authority and Responsibilities**

A. *The Inspector General* has the powers, duties, and responsibilities with respect to the Department of Labor and its programs and operations, as granted under the Inspector General Act of 1978, as amended. These powers include the authority to conduct, supervise, and coordinate audits and investigations relating to DOL programs and operations; review existing and proposed legislation and regulations; and investigate Federal offenses associated with labor racketeering matters as directed by the Department of Justice Organized Crime and Racketeering Section or as directed by other offices within the Department of Justice.

In addition, the Inspector General has responsibilities under other federal statutes, including but not limited to the Program Fraud Civil Remedies Act, the Computer Matching and Privacy Protection Act of 1988, the Federal Managers' Financial Integrity Act of 1982, the Chief Financial Officers Act of 1990, the Single Audit Act Amendments of 1996, and the Federal Information Security Management Act of 2002. The Inspector General shall also have such additional authority as may be delegated to him by the Secretary to carry out his assigned responsibilities. The Inspector General reports to and is under the general supervision of the Secretary and the Deputy Secretary, although neither the Secretary nor Deputy Secretary shall prevent or prohibit the Inspector General from initiating, carrying out, or completing any audit or investigation, or from issuing any subpoena during the course of any audit or investigation. In order to carry out these responsibilities, the Inspector General shall continue to have independent personnel and procurement authority, and shall continue to have the assistance of independent legal services.

B. *DOL Agency Heads* have responsibility to:

(1) Develop, implement and maintain effective monitoring systems and mechanisms to provide for the early

detection and prevention of program fraud, waste, and abuse, and to measure program results to ensure that program goals and objectives are being achieved.

(2) Consider and, when appropriate, implement recommendations made by the OIG as a result of audits and investigations.

(3) Provide the OIG with cooperation and timely access to information, data and reports or other assistance as may be required by their responsibilities under the Inspector General Act and other Federal law.

C. *Supervisory Personnel.* Any employee of the Department who has authority to take, direct others to take, recommend, or approve any personnel action shall not, with respect to such authority, take or threaten to take any action against any employee as a reprisal for making a complaint or disclosing information to the OIG, pursuant to section 7 of the Inspector General Act of 1978, unless the complaint was made or the information disclosed with the knowledge that it was false or with willful disregard for its truth or falsity.

D. *DOL Employees.* All DOL employees are responsible to report to the OIG or to their supervisor, in accordance with applicable requirements, information that they reasonably believe indicates wrongdoing by DOL employees or in DOL programs and operations. DOL employees shall, to the extent required by law and as may be consistent with the employees' legal rights and lawful official responsibilities, cooperate with the OIG, provide timely access to documents and information, respond to questions, and provide, if requested, signed statements to OIG personnel, in furtherance of the OIG's statutory responsibilities.

**6. Legal Services**

A. *The Inspector General* (1) is authorized to employ attorneys and support staff to provide the OIG with legal advice and assistance necessary to carry out its authority under the Inspector General Act and other provisions of law; (2) is authorized to continue to seek legal advice and assistance from the Solicitor; (3) is authorized, subject to the restrictions of applicable law, to be represented by OIG legal staff in legal matters and proceedings: (a) With respect to the enforcement of a subpoena issued by the Inspector General pursuant to the Inspector General Act; (b) with respect to subpoenas of OIG personnel or documents; or (c) in actions involving the Secretary or other components of the Department, with respect to discovery of

OIG personnel or documents; and (4) may request the approval of the Deputy Secretary to have OIG legal staff provide representation for the OIG in other legal proceedings where the OIG believes it has interests independent of the Secretary or the Department.

B. *The Solicitor of Labor* is the chief legal officer of the Department and for the Secretary of Labor. Nothing in section 6.A. of this Order in any way limits the exclusive authority of the Solicitor of Labor to: (1) Select, bring, and defend appropriate actions on behalf of the Secretary and the Department; (2) represent the Department in all legal matters and proceedings (except as provided in section 6.A. of this Order and by applicable laws); or (3) render advice and issue opinions that set forth the legal position of the Secretary or the Department. In addition, the Solicitor retains exclusive authority and responsibility to provide other legal

advice and assistance to the Secretary and other Department of Labor officials, and to employ and supervise those persons employed in the Department as attorneys, except as provided in section 6.A. or by other actions of the Secretary.

#### **7. Personnel Services**

The Inspector General is authorized to have independent personnel authority within the Department, including but not limited to: maintaining a personnel office that shall establish and carry out, in support and on behalf of the Inspector General, an OIG-wide personnel program to include functions and activities as required by statutes, regulations, and related Office of Personnel Management policy references and guidance; retaining a Personnel Officer who is delegated appointing authority and classification authority consistent with OPM policy and procedures; providing personnel management policies, programs, and services for all OIG staff nationwide;

and appointing, selecting, reassigning, suspending, removing, setting pay for, and appraising the performance of Senior Executive Service (SES) employees within the OIG.

#### **8. Procurement Services**

The Inspector General is authorized to exercise independent procurement authority within the Department, including but not limited to the authority to solicit, award, and administer contracts for supplies and services on behalf of the OIG in accordance with the Federal Acquisition Regulations and other applicable statutes and regulations.

#### **9. Effective Date**

This Order is effective immediately.

Dated: February 21, 2006.

**Elaine L. Chao,**  
*Secretary of Labor.*

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