

ERM Times

Council of Inspectors General on Integrity and Efficiency | Enterprise Risk Management Working Group

ISSUE #3

“The Transition Issue”

December 2018

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Quote of the Quarter:

“To rid yourself of old patterns, focus all your energy not on struggling with the old, but on building the new.”

- Dan Millman

CIGIE ERM Working Group Leadership Transition

The inaugural year for our working group has been a productive one, providing an opportunity to share information and best practices, network, and advancing the effectiveness of ERM throughout the OIG community. As prescribed in the Charter instituted in March, 2108, the group’s leadership will transition at the end of the calendar year. At our December 12th meeting, we will be formally introducing our new leadership team.

Chair: Jessica Southwell

Jessica Southwell is the Chief Performance and Risk Management Officer at the U.S. Department of Labor, Office of Inspector General (OIG). Since her appointment in 2016, she has implemented an Enterprise Risk Management program that enables a high performing, resilient organization.

Jessica’s public service career includes working at the National Aeronautics and Space Administration, where she was responsible for communicating agency priorities through strategic plans, evaluating mission performance, and facilitating decision-making and assessment of issues that required high-level integration, visibility and approval. Jessica served at the Department of Homeland Security (DHS), U.S. Citizenship and Immigration

Services, where she led strategic planning and performance improvement activities for the E-Verify and Systematic Alien Verification for Entitlements programs. While at DHS, she also oversaw the development of a risk assessment process to facilitate DHS’s implementation of the Chemical Facility Anti-Terrorism Standards regulation. Prior to DHS, Jessica worked for the Department of Health and Human Service’s Office of the Assistant Secretary for Preparedness and Response, where she was responsible for an array of all-hazard preparedness activities.

Jessica received a Bachelor’s degree in International Relations from the American University, and a Master’s degree in Public Administration from the George Washington University.

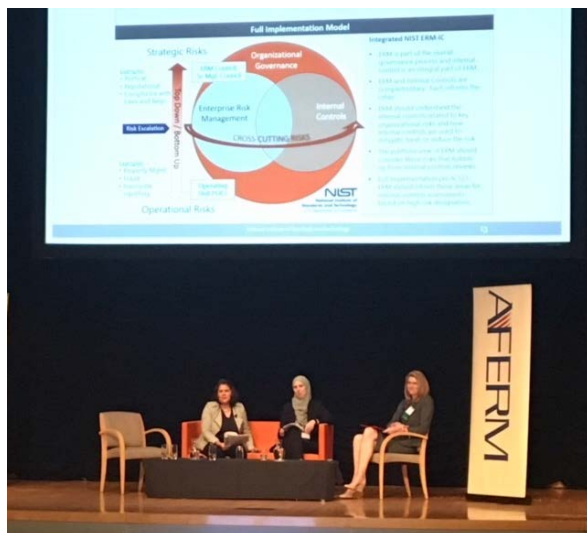
Co-Chair: Karen Ouzts

Karen Ouzts joined the Department of State Office of Inspector General (OIG) in 2003. As the Assistant Inspector General for Enterprise Risk Management since November 2017, she is responsible for both OIG’s internal risk management efforts and strategic planning. Karen entered the Senior Executive Service (SES) in 2013 when she was appointed as OIG’s first SES Assistant Inspector General for Management/Executive Director. She served in OIG’s Office of General Counsel from 2003-2013, and was Deputy General Counsel to the Inspector General from 2008- 2013.

Prior to joining the OIG, Karen worked at the Office of Bar Counsel for the District of Columbia Bar.

Karen received Bachelors’ degrees in History and Political Science from the University of Massachusetts. She received a Master’s Degree in Political Science from the George Washington University and a Juris Doctor from American University. She is a member of the Maryland Bar and is a Certified Compliance and Ethics Professional.

The 11th Annual AFERM Summit (October 30 - 31, 2018)



The Association for Federal Enterprise Risk Management (AFERM) selected the title for their summit this year as ***Innovate, Integrate, and Motivate: Shaping the Future of ERM in the Public Sector***. Sessions were selected to bring new topics, speakers, tools, and techniques to the attendees this year. Topics included ERM, cyber security, integration with internal controls, organizational culture, and culture change. Each summit gets better and has a lot to offer the federal sector ERM profession.

CIGIE ERM Working Group members participated in several volunteer capacities. Our very own Jessica Southwell (DOL OIG) moderated a main plenary session, ***Innovative Strategies to Address High Risks in the Public Sector: Over-Prescription of Opioids in Government Worker Programs***. A very interesting discussion using data analytics, integrating best practices, and leveraging lessons learned from a very public issue with DOL OIG IG Scott Dahl and Joe Paduda of Health Strategy Associates. Jonelle Pianta also moderated a session entitled ***Effective Integration of Enterprise Risk Management and Internal Control***. Panelists were from NIST and included Nahla Ivy, Enterprise Risk Management Officer and April Szuchyt, Director of Internal Controls. The discussion centered on how they were able to address the OMB Circular A-123 requirement to integrate ERM and internal controls activities.

CIGIE ERM Working Group Sub-Groups

In March, 2018, four sub-groups were established to focus on key areas of interest to members. Sub-groups will share their progress at each meeting of the working group.

Implementing an ERM Risk Assessment Approach for Audit Planning Purposes

The Audit Planning Guide sub-group was created to establish a guide that helps OIG organizations of all sizes develop and implement a risk assessment process to support its audit plan. The process will incorporate ERM principals as well as respective agency's ERM program risks in the assessment. The guide will facilitate compliance with OMB Circular A-123, Fraud Reduction and Data Analytics Act of 2015, CIGIE's Silver Book and other applicable requirements.

The guide and related documents will outline the background, steps, and considerations to help the reader make decisions on how best to implement their risk assessments to guide their planning. Specific focus areas are not yet defined, however, the guide will not cover auditing of the agency's ERM program.

A rough draft of the Guide was completed November 1, 2018. The group estimates completing the project in late December, 2018, and issuing the guide to the full working group in January, 2019.

- Chair: Shellie Purnell-Brown, FEC OIG
- Co-Chair: Jonelle Pianta, HUD OIG

Auditing ERM Implementation at Component Agencies

The goal of this sub-group is to identify criteria, share best practices, and develop guidance for OIG organizations seeking to audit ERM implementation at their component agencies.

Members are (1) researching applicable prior audit work (including audit work from the private sector, GAO, and the OIG community); (2) identifying relevant criteria and best practices; and (3) developing a comprehensive guide, including proposed audit steps.

As the team works to finalize its deliverable, members are pursuing communication strategies for disseminating the guide across the OIG community. This includes contacting the CIGIE Audit Committee and the Federal Audit Executive Council.

Estimated completion date for the guide is December, 2018.

- Chair: Rebecca Sharek, SEC OIG
- Co-Chair: Neha Diwan, EXIM Bank OIG

ERM at small OIGs

The goal of this sub-group is to identify criteria, share best practices, and develop guidance for OIG organizations seeking to audit ERM implementation at their component agencies.

The ERM at Small OIGs sub-group was created as a forum to:

- discuss leading practices related to ERM implementation at small agencies,
- collaborate and share resources on ERM-related projects when appropriate, and
- provide input to the larger CIGIE community on the needs and unique challenges small OIGs face in implementing ERM.

The group plans to provide two deliverables:

1. Survey of ERM implementation at small OIGs
2. Organized repository of contacts, tools, guidance, and other resources for developing and implementing ERM at small OIGs.

The group plans to share deliverables with the working group in December, 2018.

- Chair: Dr. Mark Thorum, EXIM Bank OIG
- Co-Chair: Candace Matthews, NCUA OIG

Development of an ERM Practitioners' Guide

The Practitioner's Guide sub-group was created to establish a guide that helps OIG organizations of all sizes develop and implement an ERM Framework to identify and manage potential risk events that may impact the OIG mission goals and objectives, as well as a basic governance and management structure to oversee and implement risk management activities. The guide facilitate compliance with OMB Circular A-123, Fraud Reduction and Data Analytics Act of 2015, CIGIE's Silver Book and other applicable requirements. The ERM Practitioner's Guide will be available to all OIG organizations and could be used as a resource as they strive to start and implement an ERM program.

The second draft of the Practitioner’s Guide will be completed December, 2018. PBGC IG Bob Westbrook kindly agreed to sponsor the guide with the CIGIE Professional Development Committee for the organization’s approval. Pending CIGIE approval, the group is targeting early 2019 for broad release of the Guide.

- Chair: Dr. Temika Edward, DHS OIG
- Co-Chair: Jessica Southwell, DOL OIG



Upcoming opportunities: Events and Training

CIGIE ERM Working Group Quarterly Meeting

December 12, 2018, 1:00 pm – 2:30 pm

Leadership transition information, recognition of 2018 accomplishments, updates from sub-groups, and a discussion of plans for 2019 are on the agenda. For more information, email OIG.SRM@OIG.DHS.GOV.

Partnership for Public Service ERM Event (by Invitation only)

January 9, 2019

The target audience for this event is Chief Risk Officers and risk practitioners. Please contact Emily Taylor at ETaylor@ourpublicservice.org if you have questions about the event or are interested in attending.

AFERM Networking Event with Presentation on Managing Risk: Lessons for Improving Government Management from GAO’s High-Risk List

January 10, 2019

This networking event will feature a presentation by Don Kettl, a professor at the Lyndon B. Johnson School of Public Affairs at the University of Texas at Austin. A reception follows.

www.aferm.org/events/

Insight Exchange Network (IEN): The Government Anti-Fraud Summit

January 30, 2019 – January 31, 2019

Learn best practices and techniques for improving internal controls, detection analytics, and strategic actions for improving program integrity. Topics of interest include, The Fraud Risk Playbook from the department of the Treasury and OMB, Lessons Learned: ERM and Circular A-123, and The Intersection of ERM and Fraud Prevention.

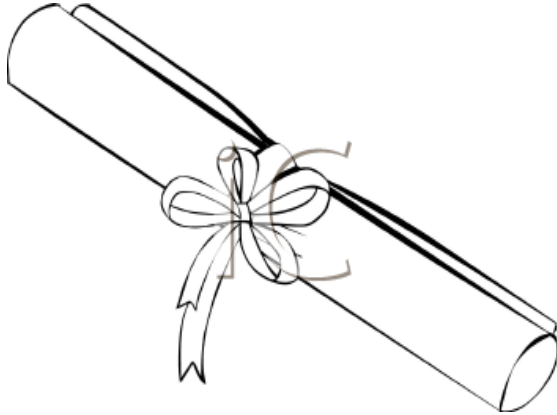
A 20% discount code is available on the AFERM website.

www.insightxnetwork.com/government-anti-fraud-summit.html

Partnership for Public Service ERM Event (by Invitation only)

February 19, 2019

The target audience for this event is Chief Risk Officers and risk practitioners. Please contact Emily Taylor at ETaylor@ourpublicservice.org if you have questions about the event or are interested in attending.



Certifications in Enterprise Risk Management

The George Washington University Center for Excellence in Public Leadership Certificate Program in Enterprise Risk Management in Government

The Certificate Program at the George Washington University is designed to provide you with the fundamental concepts and processes, principles, tools and techniques of ERM in the context of organizational change. The program will not only help you develop your knowledge of the ERM process, procedures and skills, but also enable you to apply the coursework to a practical application relevant to your organization. WWW.GWU.EDU/CEPL

RIMS-CRMP-FED Microcredential

You now have the opportunity to be at the forefront of ERM professionals demonstrating their knowledge of ERM and its application in the federal government with the new RIMS-CRMP-Fed credential. When you earn the RIMS-CRMP-Fed, you'll be a holder of the RIMS-Certified Risk Management Professional (RIMS-CRMP) certification—which tests the application of ERM knowledge—as well as the federal government risk management micro-credential. <https://www.RIMS.org/RIMS-CRMP-Fed>

For more information about the CIGIE ERM Working Group, send us an email at:

OIG.SRM@oig.dhs.gov